2003-2004

EXPENDITURE BUDGET

VOLUME IV

Message from the Chair of the Conseil du trésor

and Additional Information

Québec

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2003-2004
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Conseil du trésor
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FOREWORD

Information on the 2003-2004 Expenditure Budget is presented in four volumes:

Volume I:	*Estimates and Annual Expenditure Management Plans of the National Assembly and Persons Appointed by the National Assembly*
Volume II:	*Estimates of the Departments and Agencies*
Volume III:	*Annual Departmental Expenditure Management Plans of the Departments and Agencies*
Volume IV:	*Message from the Chair of the Conseil du trésor and Additional Information*

Volume I contains information on the National Assembly and Persons Appointed by the National Assembly, i.e. the Public Protector, the Auditor General, the Director General of Elections and the Lobbyists Commissioner. The section dealing with the National Assembly includes the message from the Speaker followed by the 2003-2004 appropriations and the annual expenditure management plan for the coming year. The other section presents the appropriations and annual expenditure management plans of each of the Persons Appointed by the National Assembly.

Volume II presents the appropriations required by the government for the 2003-2004 fiscal year. It distinguishes between the expenditure budget and the capital budget. Appropriations are broken down by portfolio and program. It should be noted that the tables appearing at the beginning of this volume include not only the appropriations and expenditures of government departments and agencies but also the appropriations and expenditures from Volume I concerning the National Assembly and the Persons Appointed by the National Assembly. These tables are presented in order to facilitate access to information on the appropriations and the expenditure budget.

Volume III contains the *Annual Expenditure Management Plans* drawn up by each minister pursuant to the *Public Administration Act* (R.S.Q., c. A-6.01). The plans indicate the choices made in allocating resources and the initiatives contemplated to achieve the objectives set in the strategic plans tabled in the National Assembly. A summary of the expenditure budget by portfolio appears at the beginning of this volume.

Volume IV begins with a message from the Chair of the Conseil du trésor that presents the highlights of the forthcoming expenditure budget. The chapters that follow provide further information on the expenditure budget and other information on related topics.

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MESSAGE FROM THE CHAIR OF THE CONSEIL DU TRÉSOR

A GOVERNMENT FOCUSED ON CHANGE: ENLIGHTENED CHOICES FOR QUÉBEC'S PROGRESS

1. QUÉBEC MAKES THE RIGHT CHOICES

The quality of Québecers' lives depends on having a modern, efficient government that is close to the people. In the past eight years, the government has intensified its efforts to restore fiscal health, lighten the tax burden, and provide Québec with social programs that are both progressive and responsible.

Québec is presently enjoying enviable prosperity, as a result of which our government can again make progressive choices. We are now reaping the fruits of our efforts to restore fiscal health:

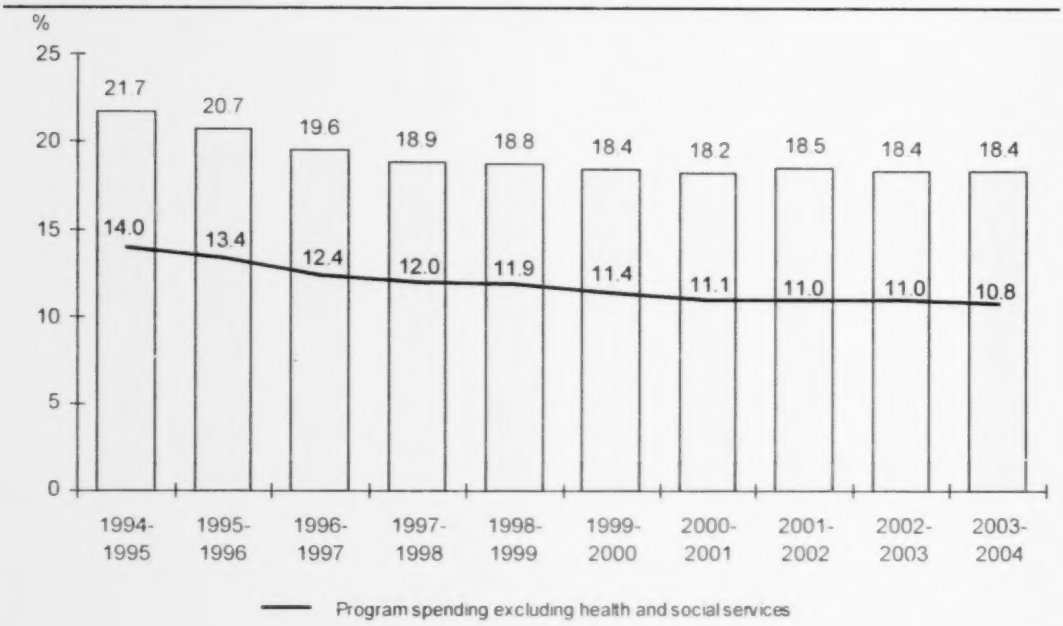
- *An economy growing faster than any G-7 country;*
- *118,000 jobs created in 2002, or more than one third the Canadian total;*
- *Stronger investment growth than the Canadian average for the second consecutive year;*
- *Steadily rising international exports.*

The results that have been achieved are encouraging. The Québec government remains an instrument for the development of our society.

Can you imagine what Québec would be like today had we continued going deeper into debt and running deficits year after year? Together, we have proven that economic prosperity, strict budgeting and social progress not only go hand-in-hand, but also reinforce one another.

The budget has been balanced since 1998-1999 and will again be for the sixth consecutive year in 2003-2004. The budgetary discipline we exercised has enabled us to reinvest in public services while keeping the economic share of expenditures stable. Were it not for the health and social services sector, that share would be steadily declining.

CHANGE IN PROGRAM SPENDING AS A PERCENTAGE OF GROSS DOMESTIC PRODUCT



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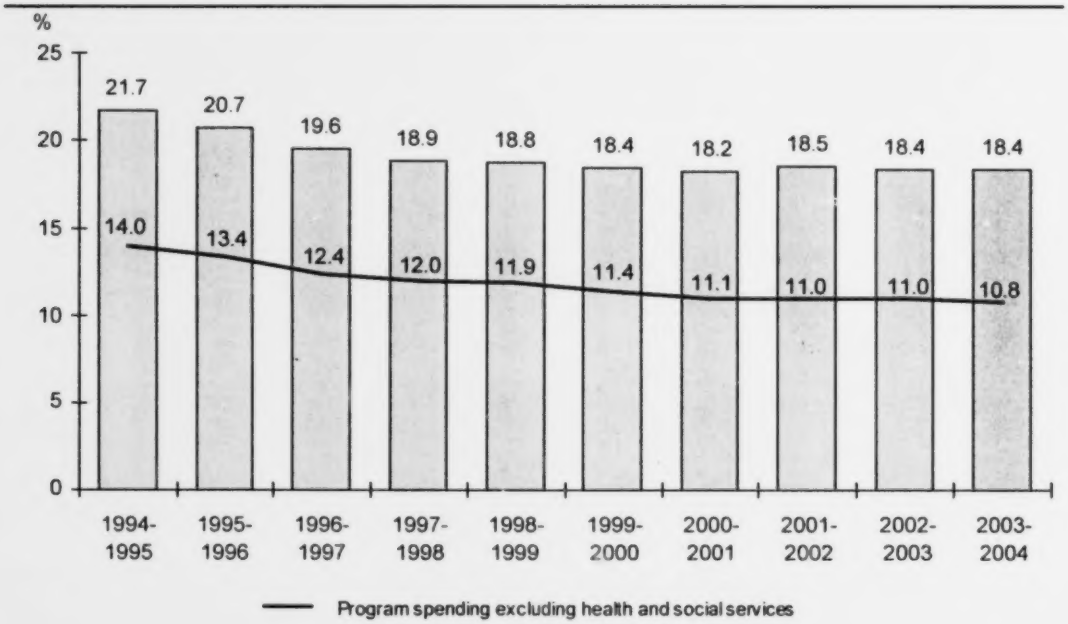


2. *THE 2003-2004 EXPENDITURES BUDGET COMBINES RIGOUR WITH PROGRESS*

Despite its economic and fiscal successes, Québec does not hold all the means required to meet the legitimate, basic needs of our fellow citizens. Fiscal imbalance, in fact, deprives Québec of the leeway required to ensure a sustainable future for our public services.

The funding obtained for health at the First Ministers' Conference last February 5 is not enough to completely correct the fiscal imbalance. Not only does the federal government's offer fall short of Québec's explicit needs, but it is also less than the Romanow Commission recommended. Instead of facing up to what are now indisputable facts, the federal government continues, as its latest Budget Speech made clear, encroaching on provincial jurisdiction.

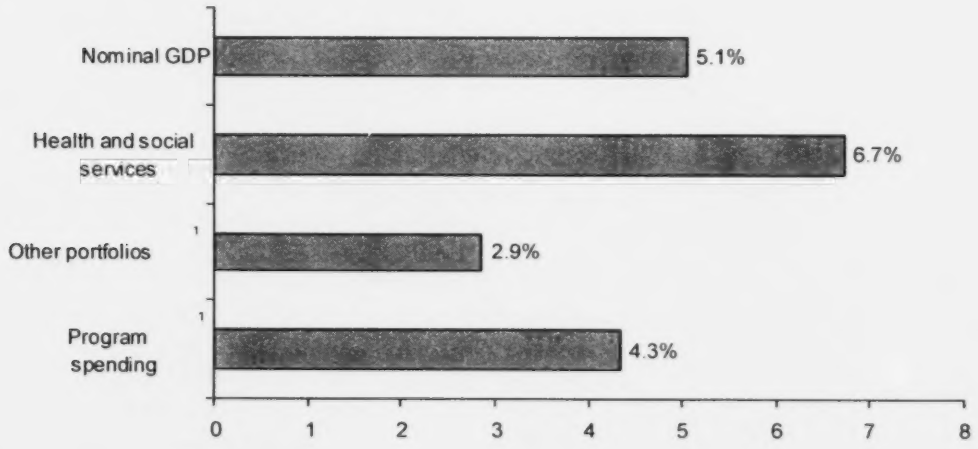
As promised, the Québec government is injecting the federal funding into health. In 2003-2004, this means $838 million in addition to the spending the Québec government had already planned.

The spending increase, which would be 3.7% without that injection, will now be 5.6% next year. Thus the expenditures objective set for 2003-2004 amounts to $53.6 billion, of which $46.6 billion is for program spending and some $7.0 billion to service the public debt.

Health and social services expenditures, which now make up 41% of program spending, account for over half the increase in the 2003-2004 budget. While there is nothing new about this trend, it clearly shows that the pressures on spending lie in areas within Québec's jurisdiction.

Since attaining a zero-deficit in 1998-1999, the government has managed to keep spending increases under control at 4.3% while the economy, based on gross domestic product (GDP), has grown at an annual rate of 5.1%. Therefore to meet health needs, the funding allocated for other government responsibilities has had to be restrained. Ultimately, spending on health and social services has climbed by 6.7% annually, or GDP + 1.6%, while the growth of all other portfolios was limited to 2.9%.

INCREASE IN PROGRAM SPENDING SINCE 1998-1999 [1]



1 Average annual growth excluding the impact of the Canada-Québec Labour Market Agreement

3. CHOICES FOR A BETTER QUÉBEC

The government's "Horizon 2005" Action Plan sets forth a vision of change aimed at improving Québec. This vision emphasizes the basic values we share as a society:

- *Prosperity for all based on full employment, regional development, and the war on poverty;*
- *A better quality of life, by providing Québecers with quality public services in health, education, family assistance, culture and environment;*
- *A strong Québec for all, meaning one that is not only master of its own destiny, but also resolutely committed to change and the blossoming of our society.*

A) MAKING THE RIGHT CHOICES FOR HEALTH: $1.7 BILLION INVESTED IN THE PAST YEAR

Despite the fiscal imbalance, Québec has made considerable efforts to uphold the fundamental principle of universal access to free healthcare. Thus, despite the zero-deficit, health spending's share of the budget has risen from 36.3% to 41%.

The commitment to health in 2003-2004 is unprecedented. The budget for the Ministère de la Santé et des Services sociaux, which amounted to $17.5 billion at the start of fiscal year 2002-2003, will rise to $19.1 billion for the fiscal year beginning April 1, 2003. About half of this $1.7-billion increase comes from the proposed funding at the First Ministers' Conference on February 5, and the other half from additional funds injected by Québec.

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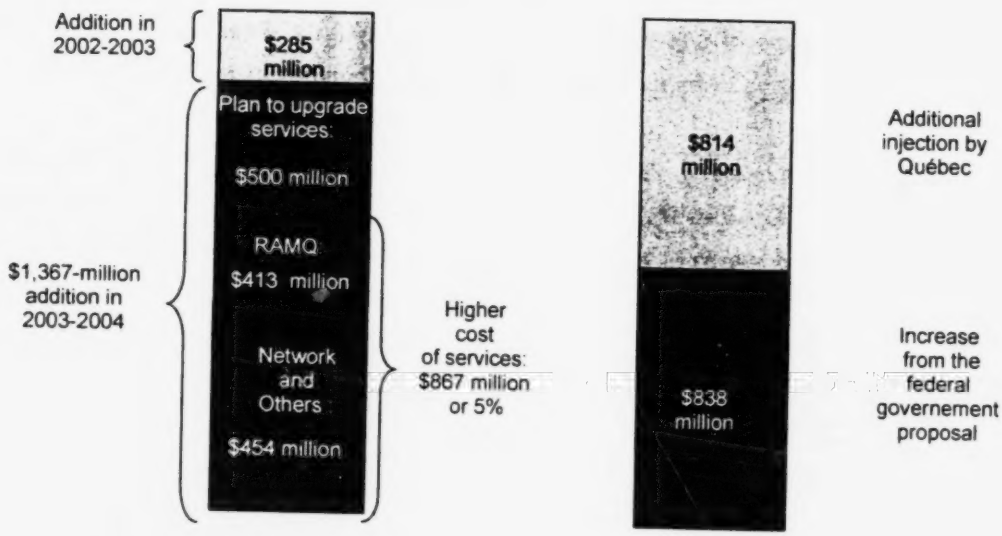
This $1.7-billion increase breaks down into $285 million in additional expenditures incurred in 2002-2003, plus $1.4 billion in 2003-2004 to concretely pursue the priorities of the Making the Right Choices plan.

This additional amount is intended to meet the challenge of change in the organization of services and management of the health and social services network. The regional boards and the establishments throughout the network must, with a view to carrying out the action plan, sign performance contracts as a means of ensuring that the target results are reached.

HEALTH AND SOCIAL SERVICES: $1,652 MILLION INCREASE SINCE THE START OF FISCAL YEAR 2002-2003



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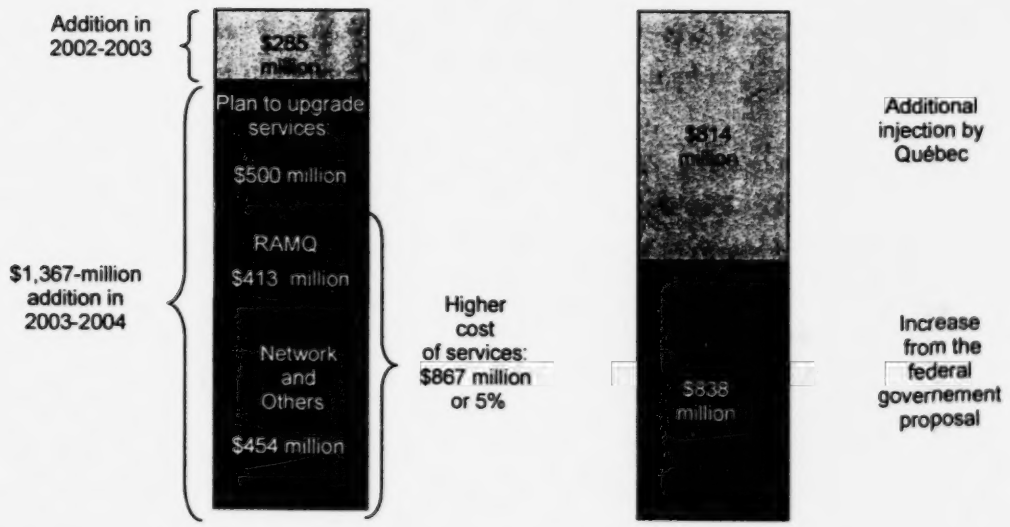


B) *ADDITIONAL $657 MILLION TO MAKE EDUCATIONAL INSTITUTIONS STIMULATING SUCCESS-ORIENTED ENVIRONMENTS*

Québec ranks second among industrialized countries for the share of its wealth spent on education. Québecers are among the best-educated people in the world. The government is pursuing its efforts to make schools stimulating, success-oriented environments.

School organization has undergone a major reform that began in 1997. The government has also taken a series of initiatives, including the "Agir tôt pour réussir" plan aimed at helping prevent students from dropping out of school, the New Approaches, New Solutions Intervention Strategy to encourage academic success in needy areas, and the What's Up after School Program to facilitate access to a greater number of extracurricular activities.

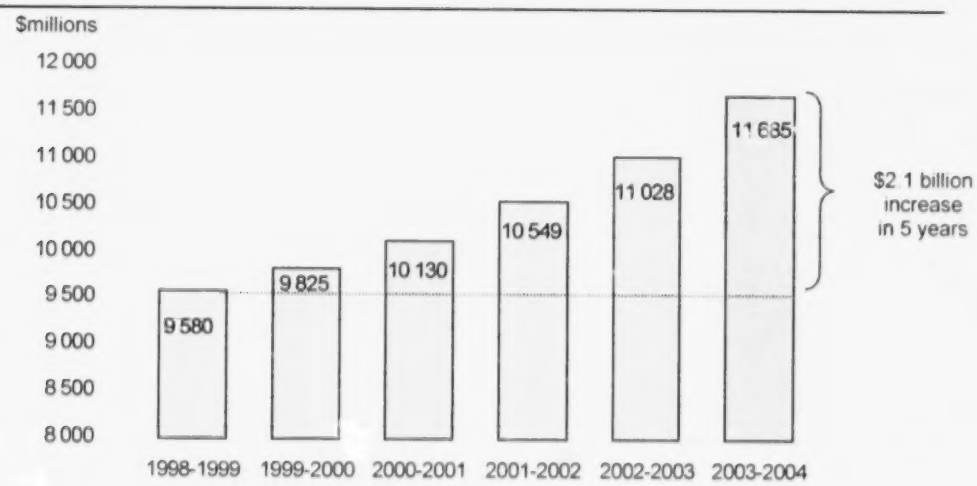
More recently, the government undertook to make major investments to support the introduction of reforms at the secondary level, particularly by buying textbooks, supervising students, and equipping laboratories.

At the postsecondary level, a major reinvestment was carried out alongside the signature of performance contracts that set criteria for efficiency.

As a result of the Rendez-vous national des régions, substantial funding will be made available to help maintain village schools and enable educational institutions to participate actively in the social and economic development of every region in Québec, primarily by providing accessible training adapted to local needs.

In the coming fiscal year, the budget for education has been increased by 6%, or $657 million more than the year before. Since 1998-1999, spending on education has grown by over $2 billion to reach a total of $11.7 billion in 2003-2004.

Growth in spending on education since 1998-1999



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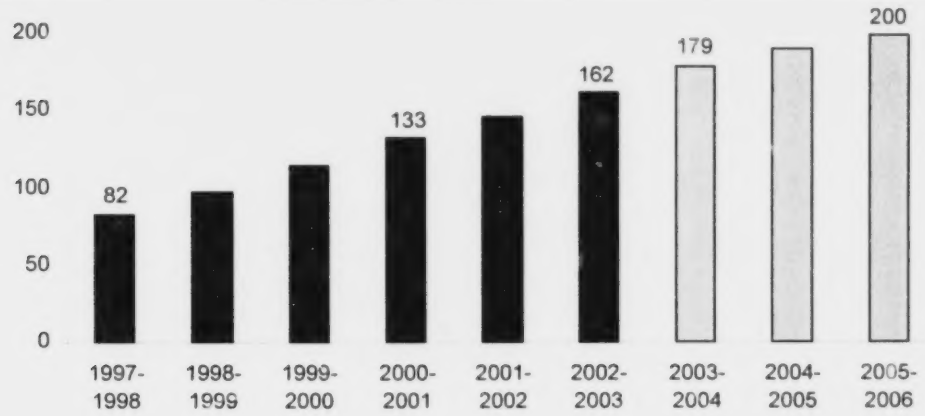
C) OVER $200 MILLION IN INVESTMENTS TO HELP BALANCE WORK AND FAMILY

Québec has the most generous support for families and children in North America, not only by providing childcare services at a reduced rate, but also through its financial assistance for families.

Since 1997 the Québec government has pursued a family policy that ensures families of quality childcare services for a modest fee. The $5 daycares represent a first step towards balancing family and work. With the addition of 38,000 new places by 2005, a total of 200,000 daycare places will be available to families with young children.

The 2003-2004 budget for the Famille, Enfance et Condition féminine portfolio totals over $2 billion, or 11% more than the year before. Since the adoption of the Family Policy, its budget has almost doubled from its $1.1 billion level in 1996-1997.

Growth in the number of daycare places ('000)



D) OTHER EFFORTS TO ENSURE A BETTER QUALITY OF LIFE AND PROSPERITY FOR ALL

The 2003-2004 Expenditures Budget includes other additional appropriations to pursue the priorities laid out in the "Horizon 2005 : Plan d'action pour un Québec meilleur":

- *Steps will be taken towards creating full employment and attracting investment, particularly in the area of housing and roadwork;*
- *$40 million are earmarked for the implementation plan concerning the strategy to combat poverty;*
- *$42 million is allocated for the Ministère des Régions for the new measures called for by the "Un Québec fort de ses regions" Action Plan;*
- *Some $50 million in 2003-2004 are earmarked for the Ministère de la Culture et des Communications to disseminate our culture and support artists; this includes $20 million to implement the new policy on film "Pour mieux porter le Québec à l'écran".*

Lastly, the appropriations for the Ministère de l'Environnement are increased by $12 million to follow through on commitments made to foster the "Québec vert" Plan.

4. QUÉBEC'S PROGRESS ALSO DEPENDS ON MORE EFFICIENT GOVERNMENT

The quality of Québecers' lives also depends on having a modern, efficient government that is close to the people.

A) STREAMLINED GOVERNMENT

Citizens expect every dollar spent to be tightly controlled. They want an efficient Government that provides easy access to quality services — a Government that is at their service!

To live up to these expectations, the Québec government has embarked on a radical overhaul of its management and organization. Thus in 1996, it passed the Act respecting the elimination of the deficit and a balanced budget, *which led to a zero-deficit in fiscal year 1998-1999, or one year sooner than planned. In 2000, the Government adopted the* Public Administration Act, *which affirms the primacy of public services.*

The Government also wants to simplify and streamline its organizational structures. This orientation is in line with the efforts of many other Western governments to refocus and trim their public administration. The Québec government, however, has opted not to reduce public services but rather to provide them with easier access to these services, by reviewing its programs and eliminating redundancy.

What we want to achieve is a streamlined, more efficient Government, that is at its citizens' service.

B) NEW ONLINE SERVICES FOR A GOVERNMENT CLOSE TO THE PEOPLE

More and more citizens are communicating with the government through the Internet. They already have online access to most government programs and services. People can now obtain one-stop information on all the procedures required, for example, in the event of a birth or death.

In fiscal year 2003-2004, the new steps taken to facilitate access to government services will include:

- *The Service québécois de changement d'adresse will be available in transactional mode, so that a citizen can inform the main government agencies and departments of a change of address;*
- *To facilitate renewal of the public service, people will no longer have to visit the Secrétariat du Conseil du Trésor website every week to check the job listings because, upon request, they will be able to receive an email informing them whenever a position matching their profile opens up;*
- *The business starter kit, now available only on an informational basis, will evolve towards a transactional mode, which will greatly simplify the procedures an entrepreneur has to follow;*
- *A one-stop public tenders centre, to give suppliers easy access to calls for tenders by government departments and public and parapublic agencies, will go into operation and serve as a gateway to an estimated $10 billion in contracts a year.*

The development of online services is unthinkable without an interdepartmental partnership. Accordingly, the Secrétariat du Conseil du trésor has a $30 million budget over three years to fund the introduction of integrated services and ensure the security of electronic data.

C) A PUBLIC SERVICE IN OUR OWN IMAGE

By 2012, 40% of today's public servants will have retired. We therefore have a responsibility as an employer to renew the public service in order to ensure the continuity and quality of services.

The Action Plan tiltled "Québec public service revitalization Action Plan", which I released in September 2002, describes what action is being taken in the short term to rejuvenate the public service at a faster rate. Bringing young people into the public service gives us the benefit of their fresh views, knowledge at the cutting edge of the latest advances, and an enriching vitality.

The two action plans for "Québec public service diversity Action Plan", which I announced in February 2003, will enable the public service to benefit from all the richness of Québec society, its cultural diversity and variety of experiences in providing services adapted to the needs of every citizen.

These orientations aimed at attracting more youth, members of cultural communities, Aboriginals and Anglophones as well as disabled persons to Québec's public service apply to every government department and agency. Their commitment is essential for attain the objectives which, I must admit, may seem overly ambitious in some respects.

The renewal of Québec's public service also depends on a reaffirmation of our basic values. Thus, on November 21, 2002, I tabled the "Déclaration de valeurs de l'administration publique québécoise" in the National Assembly. It spells out the moral values at the root of public service, namely competence, impartiality, integrity, loyalty and respect. These values represent a simple, accessible yardstick for employees as well as the public, and they are crucial for the government to carry out its mission for the benefit of Québecers. They are guarantees of quality service.

CONCLUSION

The 2003-3004 Expenditure Budget combines fiscal discipline with social progress. It maintains a balanced budget for the sixth consecutive year while emphasizing the priorities set forth in "Horizon 2005 : Plan d'action pour un Québec meilleur".

Despite the fiscal imbalance, the Québec Government is continuing, within the limits of its means, to reinvest in services that make the greatest contribution to the quality of Québecers' lives.

Making the right choices means first doing the maximum for health. Since last year, an additional $1.7 billion has been allocated for this — an unprecedented effort!

I am convinced that the budget made found in the 2003-2004 Expenditure Budget will help to improve public services and make Québec stronger.

Thanks to budgetary discipline, the Québec Government remains focused on change that represents progress for our society.

JOSEPH FACAL

CHAPTER 1

THE 2003-2004 EXPENDITURE BUDGET

THE 2003-2004 EXPENDITURE BUDGET IN BRIEF

- Total government expenditures amount to $53.6 billion in 2003-2004. Of this amount, $46.6 billion is allocated to program spending and $7.0 billion to the debt service.

- The increase in program spending is 5.6%, a growth rate equivalent to the one forecast for the gross domestic product in 2003. This growth rate would be 3.7% without the addition of $838.0 million resulting from the February 5 federal proposal on health.

- The weight of program spending in the Québec economy remains stable at 18.4%, the same level as in 1999-2000. The weight of expenditures, excluding those for health and social services, is constantly declining.

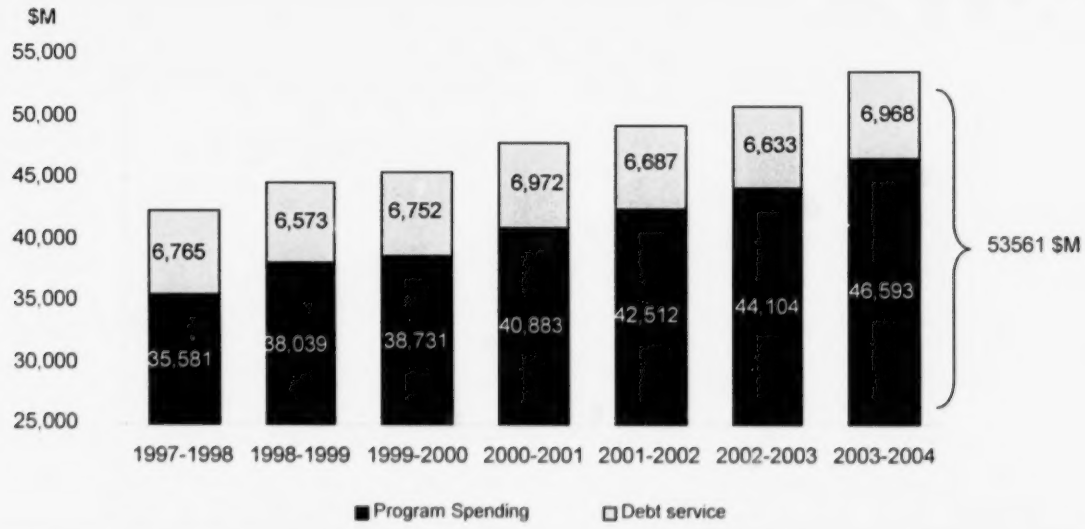
- Nearly 55.0% of the growth of program spending in 2003-2004 is allocated to the "Santé et Services sociaux" portfolio, which accounts for 41.0% of total program spending.

- The "Éducation" and "Famille, Enfance et Condition féminine" portfolios respectively absorb 26.4% and 8.2% of program spending growth. Other portfolios, which account for nearly 30.0% of program spending, share the rest of the growth, i.e. 10.5%.

1. 2003-2004 EXPENDITURE BUDGET: $53.6 BILLIOIN

- Total government expenditures amount to $53,561.0 million, including $46,593.0 million for program spending and $6,968.0 million for the debt service.
- The probable expenditure for 2002-2003 is $44,104.0 million for program spending and $6,633.0 million for the debt service.

Graph 1.1 : GROWTH OF PROGRAM SPENDING AND DEBT SERVICE SINCE 1997-1998



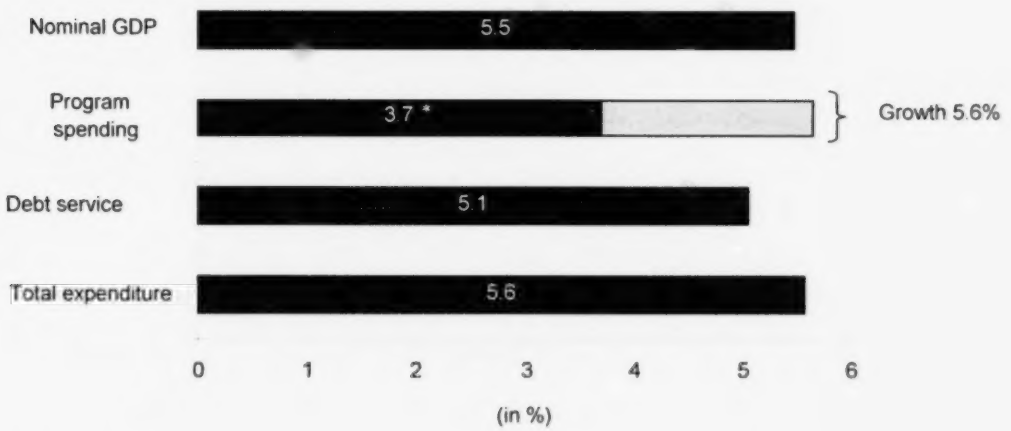
Source: Appendix C.2 of this volume

Note: The budgetary data in this table do not include the effect of consolidation of agencies and special funds.

- Growth of program spending is 5.6% in 2003-2004. This growth is comparable to that of the economy since the nominal growth of the gross domestic product (GDP) is estimated at 5.5% in 2003. Without the addition of $838 million resulting from the February 5 federal proposal on health, the growth rate would be 3.7%.

- The forecast increase in the debt service for 2003-2004 is 5.1%.

Graph 1.2 : 2003-2004 GROWTH OF EXPENDITURES



* Growth before addition of $838 million resulting from the February 5, 2003 federal proposal on health.

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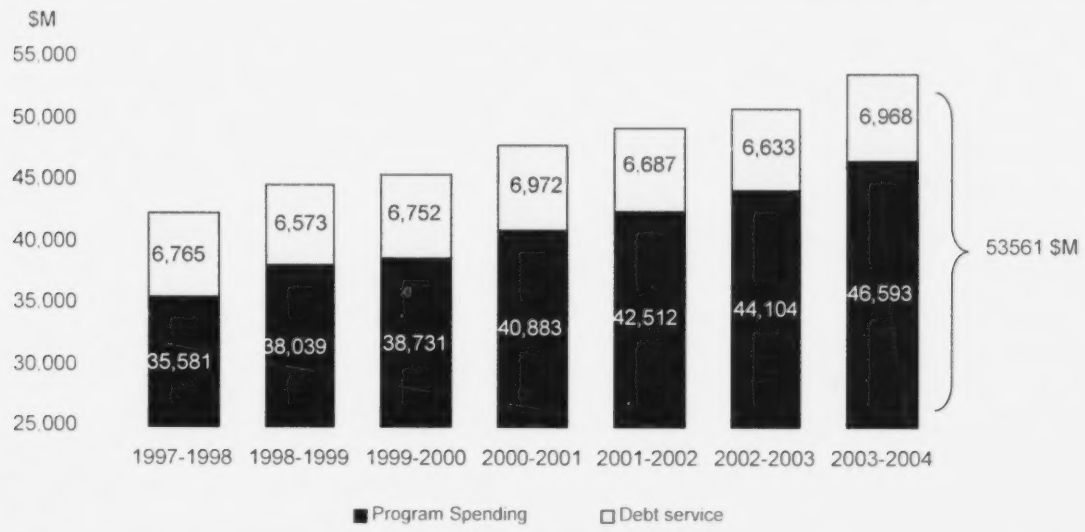

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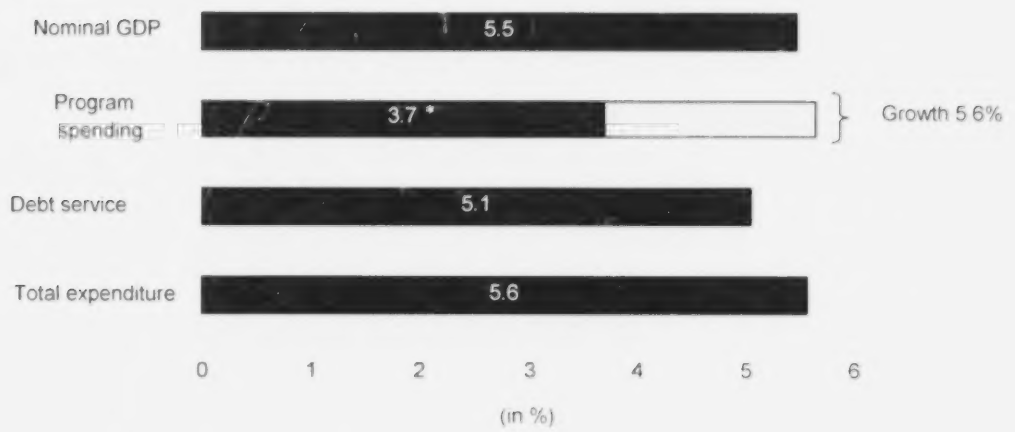
- The forecast increase in the debt service for 2003-2004 is 5.1%.

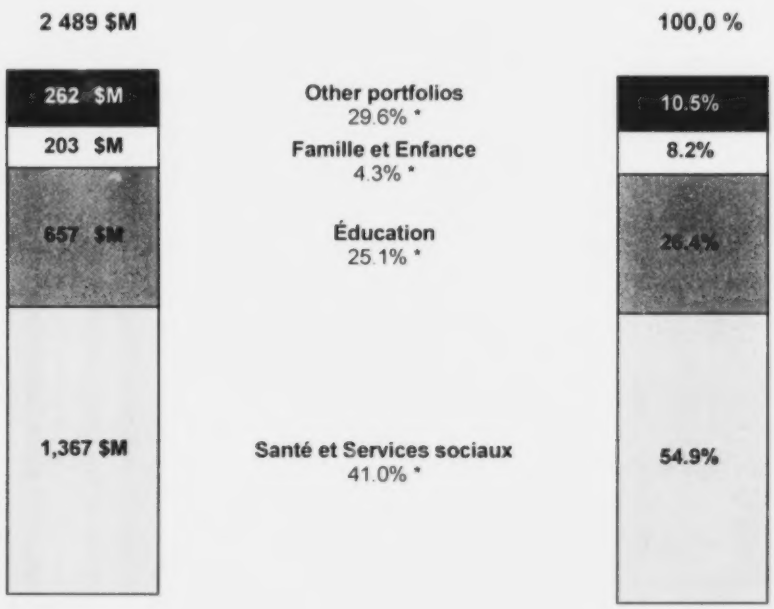
Graph 1.2 : 2003-2004 GROWTH OF EXPENDITURES



* Growth before addition of $838 million resulting from the February 5, 2003 federal proposal on health

- The growth allocated for program spending in 2003-2004 amounts to $2,489.0 million, broken down as follows:
  - 54.9% of expenditure growth is allocated to the "Santé et Services sociaux" portfolio, which accounts for 41.0% of 2003-2004 program spending;
  - 26.4% of expenditure growth is allocated to the "Éducation" portfolio, the expenditures of which account for 25.1% of the program spending budget;
  - 8.2% of expenditure growth is allocated to the "Famille, Enfance et Condition féminine" portfolio, which accounts for 4.3% of program spending;
  - The other portfolios split 10.5% of expenditure growth while accounting for 29.6% of total program spending.

Graph 1.3: SOURCES OF PROGRAM SPENDING GROWTH IN 2003-2004



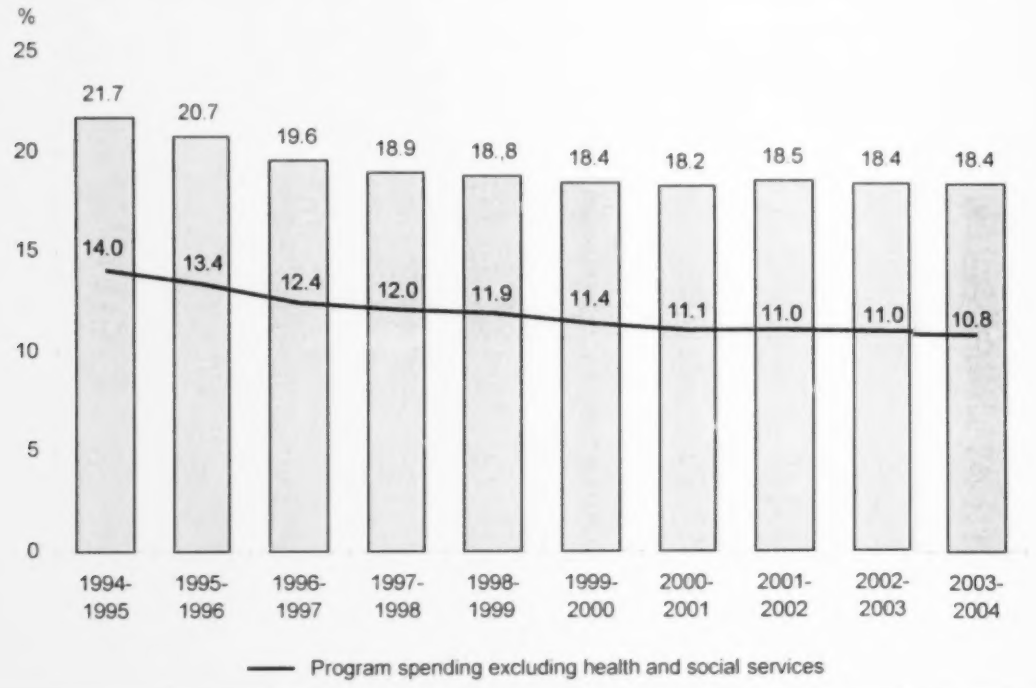
* Weight in 2003-2004 program spending, which represents a total of $46,593.0 million.

2. ECONOMIC WEIGHT OF PROGRAM SPENDING

- The weight of program spending in relation to the gross domestic product remains stable in 2003-2004. It stands at 18.4%, the same level as in 1999-2000.

- Excluding expenditures for health and social services, the weight of program spending in relation to the gross domestic product was lowered from 14.0% in 1994-1995 to 10.8% in 2003-2004.

Graph 1.4: **GROWTH OF PROGRAM SPENDING AS A PERCENTAGE OF THE GROSS DOMESTIC PRODUCT**



Sources: Appendix C.1 of this volume

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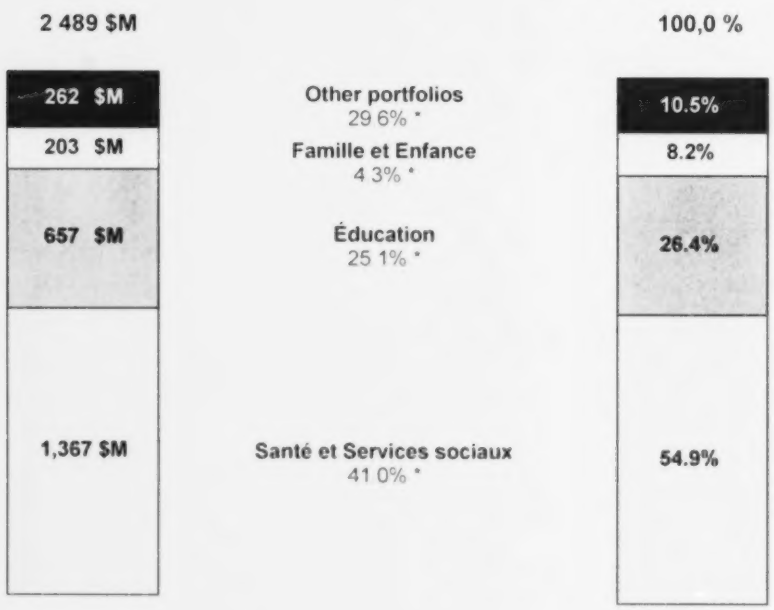

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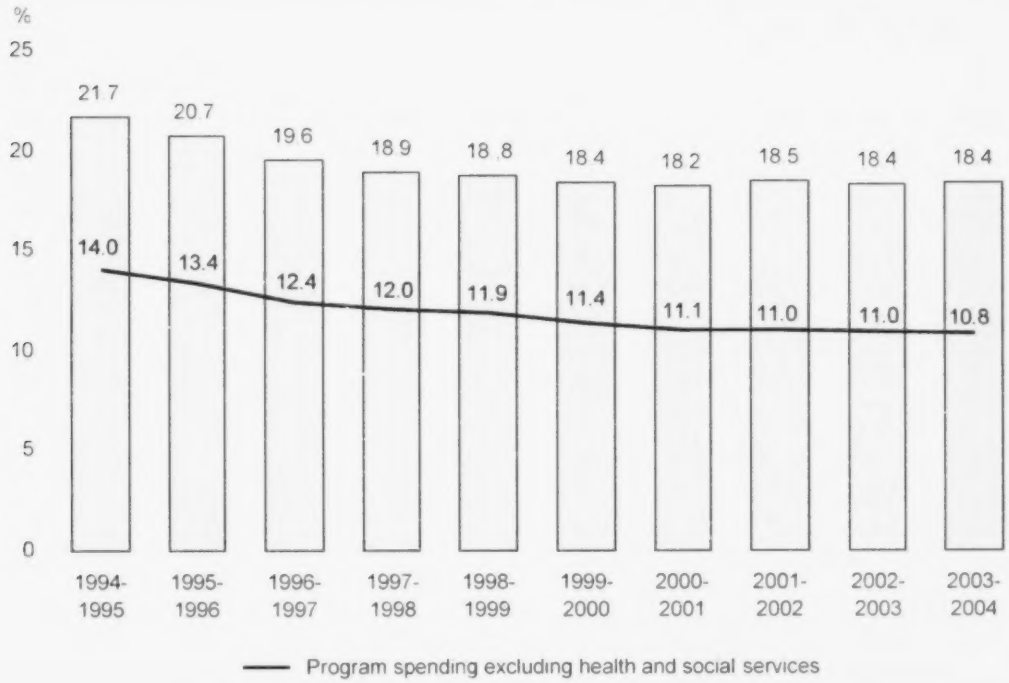


Sources: Appendix C.1 of this volume

3. GROWTH OF PROGRAM SPENDING BY SECTOR OF ACTIVITY

- The growth allocated in 2003-2004 totals $2,489.0 million or 5.6% in relation to the 2002-2003 probable expenditure. This growth is mainly found in three portfolios:
  - — For "Santé et services sociaux" portfolio, expenditures rise from $17,736.0 million to $19,103.1 million, representing a 7.7% growth rate;
  - — For "Éducation" portfolio, expenditures reach $11,685.5 million in 2003-2004 compared to $11,028.4 million in 2002-2003; this represents a 6.0% increase over the previous fiscal year;
  - — For the "Famille, Enfance et Condition féminine" portfolio, the 2003-2004 budget envelope amounts to $2,025.7 million, up 11.1% over the previous fiscal year.
- All of the other portfolios combined are up $261.8 million, for a growth rate of 1.9%.

Table 1.1: GROWTH OF 2003-2004 PROGRAM SPENDING BY SECTOR OF ACTIVITY

	Santé et Services sociaux	Éducation	Famille, Enfance et Condition féminine	Other portfolios	Total
	$M	**$M**	**$M**	**$M**	**$M**
2002-2003 probable expenditure	17,736.0	11,028.4	1,822.6	13,516.9	44,104.0
Growth allocated	1,367.0	657.1	203.1	261.8	2,489.0
2003-2004 budget envelope	19,103.1	11,685.5	2,025.7	13,778.7	46,593.0
Growth rate	7.7%	6.0%	11.1%	1.9%	5.6%

Note: Since the figures are rounded, the sum of the amounts recorded for each portfolio may not precisely correspond to the total.

- Santé et Services sociaux

  — In 2003-2004, the budget envelope dedicated to health is $19.1 billion, or 41.0% of the program spending budget.

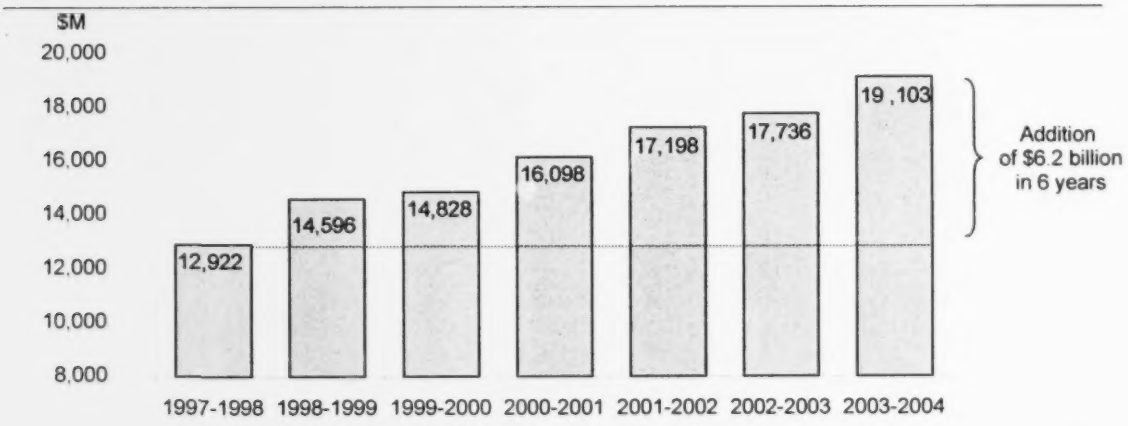
  — The additional resources of nearly $1.4 billion budgeted for health in 2003-2004 are allocated according to the *Making the Right Choices* plan:

    - $500.0 million to upgrade services;

    - $867.0 million to absorb the growth of the cost of services, including $413.0 million for programs administered by the Régie d'assurance maladie du Québec and $454.0 million essentially for the health network.

  — Since 1997-1998, health and social services expenditures have increased by $6.2 billion. This addition represents an average annual growth rate of 6.7%, which is greater than the 4.3% growth of program spending, excluding the impact of the Canada-Québec Labour Market Agreement.

Graph 1.5: **GROWTH OF EXPENDURES IN THE HEALTH AND SOCIAL SERVICES SECTOR SINCE 1997-1998**



Source: Appendix C.3 of this volume

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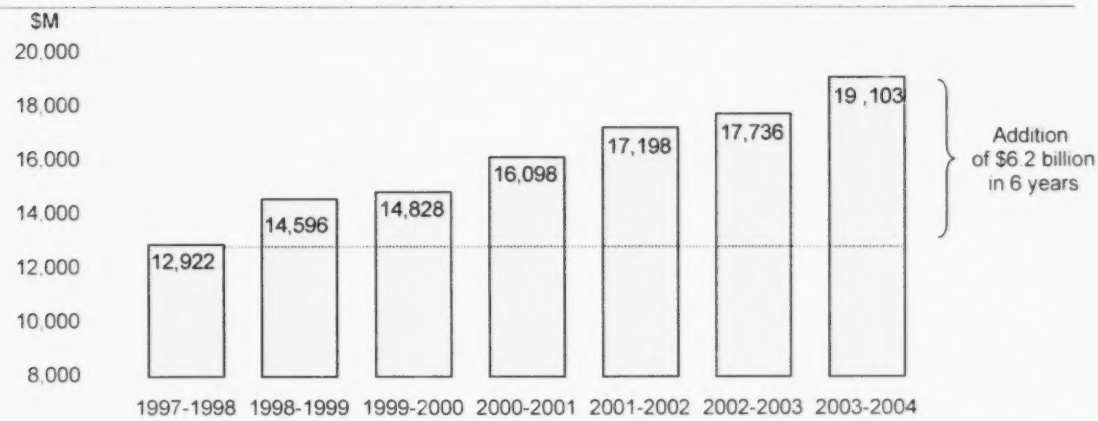


Source: Appendix C.3 of this volume

- Education

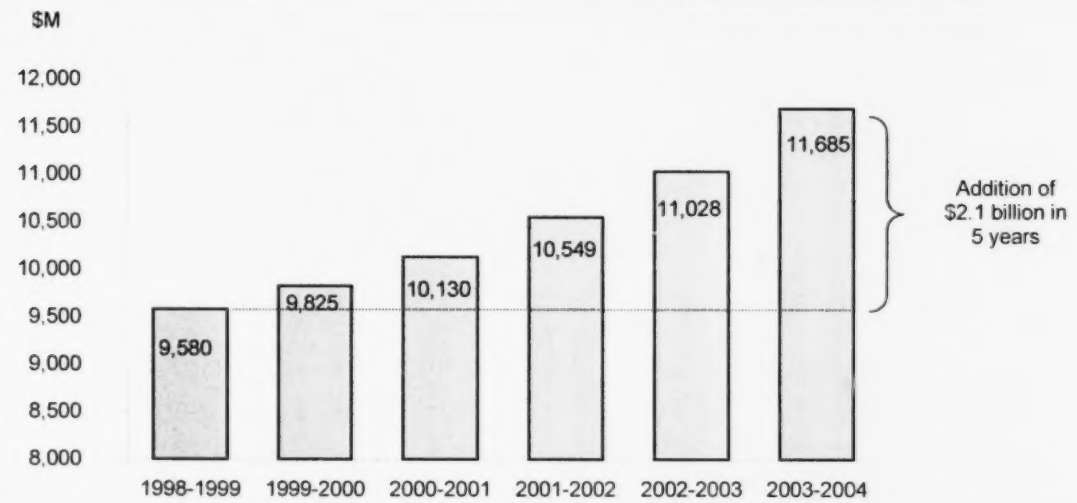
  — Since 1998-1999, the education sector has benefited from an additional $2.1 billion.

  — The additional resources allocated to education in 2003-2004 amount to $657.0 million. This increase in the budget envelope makes it possible to fund the cost of the growth of expenditures and act on the commitments made by the Government:

    - $395.0 million to cover the growth of the cost of services;

    - $262.0 million to act on commitments, including $80.0 million for performance contracts with the universities, $50.0 million for the agreement on teachers' work time, $40.0 million for the Policy on Special Education (*Agir tôt pour réussir*) and some $10.0 million for the *What's Up after School Program*.

Graph 1.6: **GROWTH OF EXPENDITURES IN THE EDUCATION SECTOR SINCE 1998-1999**



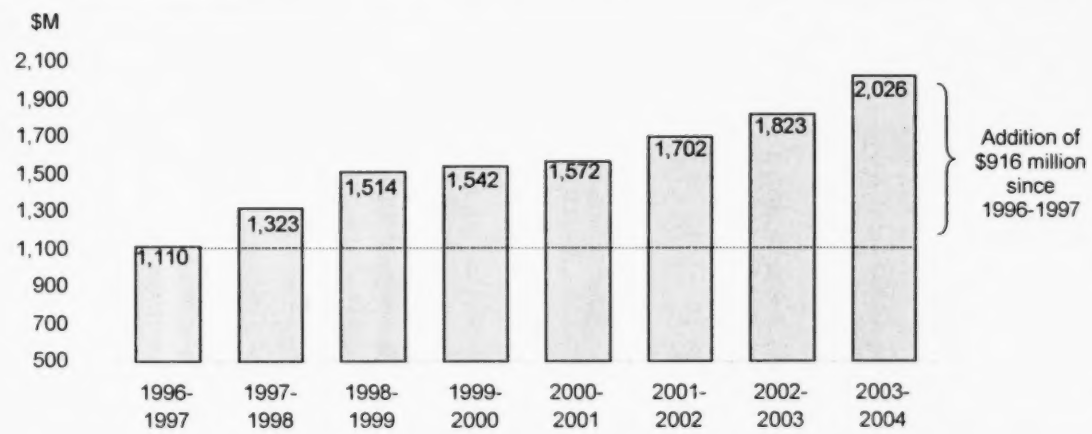
Source: Appendix C.3 of this volume

- Famille, Enfance et Condition féminine

  — An additional $203.1 million is forecast in the 2003-2004 expenditure envelope to ensure continuation of the development of places in education-oriented child care. In March 2003, 162,000 places are available, leaving 38,000 places to be completed to achieve the objective of 200,000 places by 2005-2006.

  — Since the implementation of the Family Policy in 1997, the expenditures allocated for this portfolio have nearly doubled, reaching $2 billion in 2003-2004 compared to $1.1 billion in 1996-1997.

Graph 1.7: **GROWTH OF EXPENDITURES IN THE FAMILY AND CHILDHOOD SECTOR SINCE 1996-1997**



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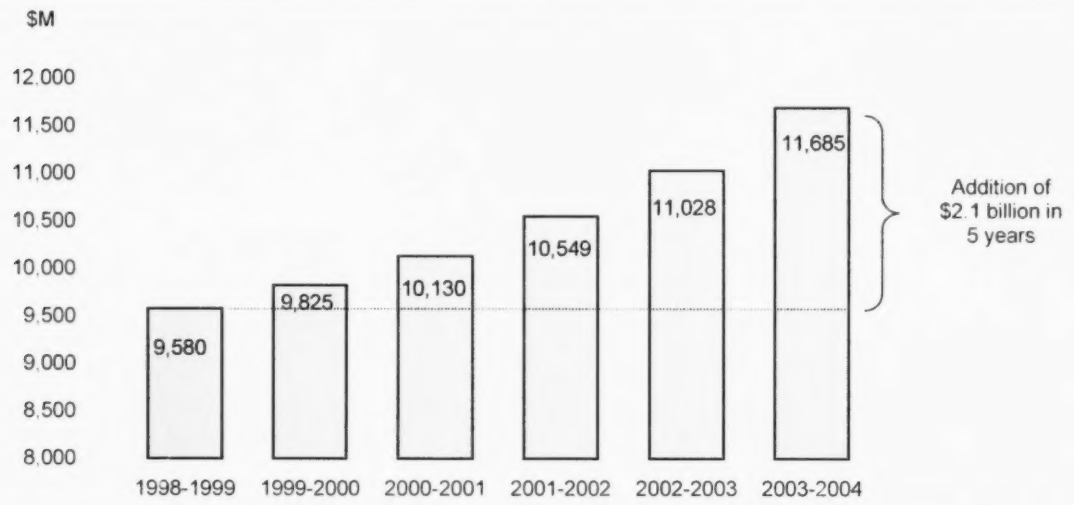

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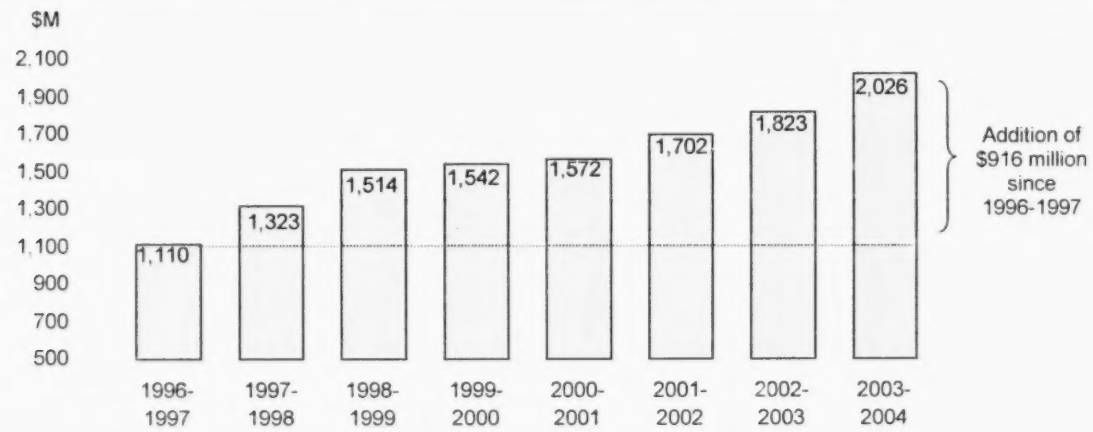


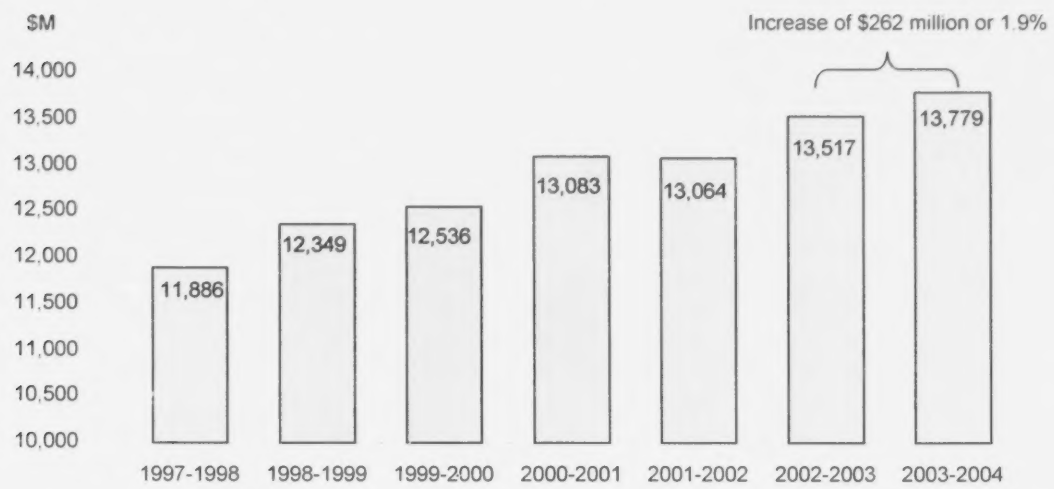
Source: Appendix C.3 of this volume

- Other sectors excluding the Santé et Services sociaux, Éducation, and Famille, Enfance et Condition féminine portfolios.

  — The additional resources allocated in 2003-2004 for these other sectors total $261.8 million. This represents a 1.9% increase over the probable expenditure for the previous year.

  — Since 1997-1998, the expenditures associated with these other sectors have increased from $11.9 billion to $13.8 billion. This represents an average annual growth rate of 2.5% (1.7% excluding the effect of the Canada-Québec Labour Market Agreement).

Graph 1.8: **GROWTH OF EXPENDITURES AND GROWTH IN OTHER SECTORS SINCE 1997-1998**



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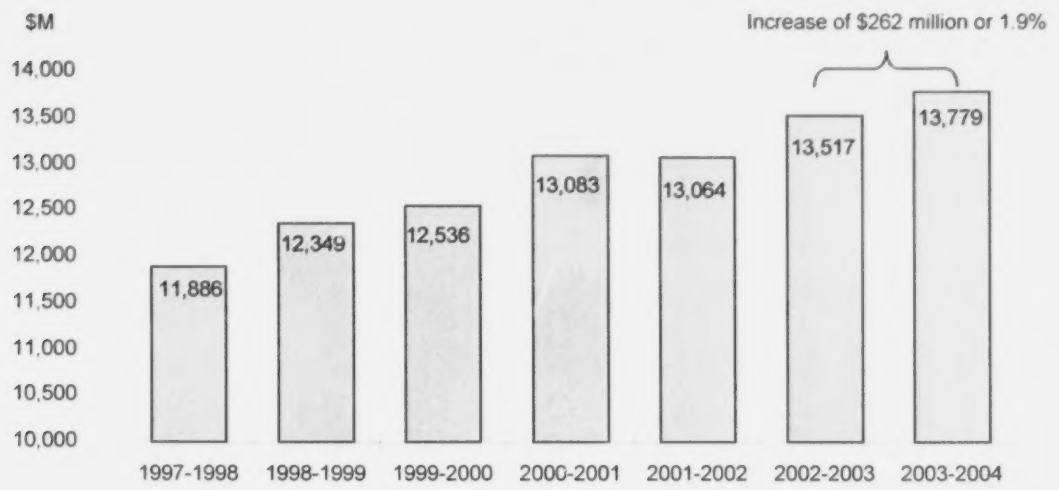


Source: Appendix C.3 of this volume

4. CHANGE IN PROGRAM SPENDING SINCE THE TABLING OF THE 2002-2003 EXPENDITURE BUDGET IN MARCH 2002

- When the 2002-2003 Expenditure Budget was tabled in the National Assembly in March 2002, program spending of $43.2 billion was forecast. During the fiscal year, these expenditures increased to $44.1 million, particularly due to additional expenditures in the Santé et Services sociaux and Emploi, Solidarité sociale portfolios.

- As already mentioned, 2003-2004 expenditure growth amounts to $2,489.0 million, including $1,367.0 million for Santé et Services sociaux, $657.0 million for Éducation and $203.0 million for the Famille, Enfance et Condition féminine portfolio.

- In the more specific case of the health and social services sector, the total expenditure growth observed since the tabling of the Estimates is $1,1652.0 million, including the recurrence of additional expenditures of $285.0 million incurred in 2002-2003.

Table 1.2: CHANGE IN PROGRAM SPENDING SINCE THE TABLING OF THE 2002-2003 EXPENDITURE BUDGET

	Program spending	Santé et services sociaux	
	$M	$M	
2002-2003 Expenditure Budget – March 2002	43,223	17,451	
+ 2002-2003 variation			
- Santé et Services sociaux	285	285	
- Emploi, Solidarité sociale	140		
- Other portfolios	456 [1]		Total growth of 1,652 $M
2002-2003 probable expenditure	44,104	17,736	
+ 2003-2004 growth			
- Santé et Services sociaux	1,367	1,367	
- Éducation	657		
- Famille, Enfance et Condition féminine	203		
- Other portfolios	262		
2003-2004 Expenditure Budget	46,593	19,103	

1 An adjustment has been made to show the 2002-2003 expenditures on the same basis as in 2003-2004. This adjustment results, for 2002-2003, from an $8.9 million increase in the expenditure budget for the "Famille, Enfance et Condition féminine" portfolio because the Family Policy has the effect of gradually replacing certain measures previously accounted for as deductions from revenue.

APPENDIX 1.1

CHANGES BETWEEN 2003-2004 PROGRAM SPENDING AND THE 2002-2003 PROBABLE EXPENDITURE[1]

	2003-2004 Expenditure Budget	Probable[2] Expediture 2002-2003	Variation		
	$M	**$M**	**$M**	**%**	
National Assembly [3]	91.6	89.3	2.3	2.6	
Persons Appointed by the National Assembly [3]	103.1	59.6	43.5	73.0	[4]
Affaires municipales et Métropole	1,587.1	1,571.8	15.3	1.0	
Agriculture, Pêcheries et Alimentation	659.1	643.4	15.7	2.4	
Conseil du trésor, Administration et Fonction publique	887.8	472.1	415.7	5.0	[5]
Conseil exécutif	248.4	161.8	86.6	23.0	[6]
Culture et Communications	531.5	501.0	30.6	6.1	
Éducation	11,685.5	11,028.4	657.1	6.0	
Emploi, Solidarité sociale	4,016.8	4,107.9	(91.1)	(2.2)	
Environnement	193.1	179.2	13.9	7.8	
Famille, Enfance et Condition féminine	2,025.7	1,822.6	203.1	11.1	
Faune et Parcs	111.2	119.8	(8.7)	(7.3)	[7]
Finances, Économie et Recherche	1,092.4	1,031.9	60.5	1.9	[8]
Justice	557.1	542.0	15.1	2.8	
Régions	218.3	163.5	54.9	6.8	[9]
Relations avec les citoyens et Immigration	208.7	235.3	(26.6)	(11.3)	[10]
Relations internationales	112.4	107.4	5.0	4.7	
Ressources naturelles	277.9	297.8	(19.9)	(6.7)	[11]
Revenu	693.2	745.0	(51.8)	(7.0)	
Santé et Services sociaux	19,103.1	17,736.0	1,367.0	7.7	
Sécurité publique	831.8	832.8	(1.0)	(0.1)	
Tourisme, Loisir et Sport	132.8	158.1	(25.3)	(16.0)	[12]
Transports	1,560.0	1,431.7	128.2	9.0	
Travail	64.3	65.3	(1.0)	(1.6)	
Savings to be realized	(400.0)		(400.0)		
PROGRAM SPENDING	46,593.0	44,104.0	2,489.0	5.6	

Note: See next page for references

1. The information only pertains to the expenditure budget and therefore do not include the consolidated agencies and special funds. They also exclude the Fixed Assets and Loans, Investments and Advances supercategories included in the capital budget appearing in Volume II of the 2003-2004 Expenditure Budget.

2. The 2002-2003 probable expenditure has been adjusted to show it on the same basis as the 2003-2004 Expenditure Budget.

3. The information pertaining to the appropriations, expenditures and Annual Expenditure Management Plans of the National Assembly and the Persons Appointed by the National Assembly is presented in Volume I.

4. In the 'Persons Appointed by the National Assembly' portfolio, the growth in relation to the probable expenditure is mainly due to the fact that the 2003-2004 expenditure budget of the *Administration of the Electoral System* program includes an amount of $50.0 million for the holding of general elections.

5. In the 'Conseil du trésor, Administration et Fonction publique' portfolio, the percentage change has been calculated by excluding the *Contingency Fund* program from the 2003-2004 expenditure budget, because this program consists of appropriations that may be allocated to other portfolios during the fiscal year.

6. In the 'Conseil exécutif' portfolio, the percentage variation has been calculated by adding to the 2002-2003 probable expenditure transfers made to other departments from the provision for government communications projects. The 23.0% variation essentially pertains to the *Aboriginal Affairs* program.

7. In the 'Faune et Parcs' portfolio, the reduction in relation to the probable expenditure is mainly due to the fact that the 2002-2003 probable expenditures includes amounts that have been transferred from the provision for regional development of the 'Régions' portfolio.

8. For the purposes of this table, the government debt service is excluded from the expenditures of the 'Finances, Économie et Recherche' portfolio. In Volume II of the 2003-2004 Expenditure Budget and in the Annual Expenditure Management Plans of the departments and agencies, the expenditures of the 'Finances, Économie et Recherche' portfolio incorporate debt service. Moreover, the percentage change has been calculated by adding to the 2002-2003 probable expenditure the transfers made to other departments from the provisions found in the portfolio's programs.

9. In the 'Régions' portfolio, the percentage change has been calculated by adding to the 2002-2003 probable expenditure the transfers made to other departments from the provisions found in this portfolio.

10. In the 'Relations avec les citoyens et Immigration' portfolio, the reduction in relation to the probable expenditure is mainly due to the end of the *National Reconciliation Program with the Duplessis Orphans*.

11. In the 'Ressources naturelles' portfolio, the reduction relation to the probable expenditure is mainly due to the fact that the 2002-2003 probable expenditure includes amounts that have been transferred from the provision for regional development of the 'Régions' portfolio and other amounts have been added for fighting forest fires.

12. In the 'Tourisme, Loisir et Sport' portfolio, the reduction in relation to the probable expenditure is mainly due to the fact that the 2002-2003 probable expenditure includes amounts transferred to tourist promotion from the provision for government communications projects of the 'Conseil exécutif' portfolio.

CHAPTER 2

RESULTS FOR THE 2002-2003 FISCAL YEAR

RESULTS FOR THE 2002-2003 FISCAL YEAR IN BRIEF

- Government expenditures, including the debt service, should reach $50,737.0 million for the 2002-2003 fiscal year, a 3.1% increase over the previous year.

- As announced in the Presentation of Financial Transactions published on June 30, 2002, program spending was raised by $185.0 million following the increase in the tobacco tax. Additional expenditures of $696.0 million were also recorded.

- This growth is particularly due to additional expenditures of $284.6 million at the Ministère de la Santé et des Services sociaux, $140.1 million at the Ministère de l'Emploi et de la Solidarité sociale, and $103.5 million at the Ministère des Affaires municipales et de la Métropole.

1. THE CHANGE IN GOVERNMENT EXPENDITURES IN 2002-2003

- Total government expenditures should amount to $50,737.0 million in 2002-2003, or $44,104.0 million for program spending and $6,633.0 million for the debt service.
- Total expenditures for the 2002-2003 fiscal year increased by $1,538.4 million, or 3.1%, compared to the previous year.
- Program spending should total $44,104.0 million, an increase of $1,592.0 million, or 3.7%, in relation to 2001-2002, while the debt service should decrease by $53.5 million to $6,633.0 million.

Table 2.1: TOTAL EXPENDITURE GROWTH IN 2002-2003[1]

	Probable 2002-2003	Actual 2001-2002	Variation	
	$M	$M	$M	%
Program spending[2]	44,104.0	42,512.0	1,592.0	3.7
Debt service	6,633.0	6,686.5	(53.5)	(0.8)
TOTAL EXPENDITURES	50,737.0	49,198.5	1,538.5	3.1

1 The data in this table do not include the effect of consolidation of agencies and special funds.

2 Program spending has been adjusted on the basis of the 2003-2004 budgetary and financial structure. The adjustments required stem from the implementation of the family policy regarding reduced-rate day care places, which increased both revenue and expenditure by $8.9 million.

2. THE EVOLUTION IN THE TOTAL EXPENDITURE FORECAST SINCE THE TABLING OF THE 2002-2003 EXPENDITURE BUDGET

- The total government expenditure forecast in 2002-2003 was revised upward since the tabling of the 2002-2003 Expenditure Budget, increasing from $49,720.0 million to $50,737.0 million. The program spending forecast rose $185.0 million in the Presentation of Financial Transactions published on June 30, 2002 and additional expenditures of $696.0 million are forecast by the end of the fiscal year. The increase is explained by:

  — $284.6 million to the Ministère de la Santé et des Services sociaux, of which $69.0 million were allocated to improve services in the health and social services network, and $144.4 million for the Prescription Drug Insurance Program;

  — $140.1 million to the Ministère de l'Emploi et de la Solidarité sociale to reflect, among other factors, the smaller than forecast decline in the number of households on employment assistance;

  — $456.3 million due to various overruns and availabilities in other portfolios, including $87.0 million to the Ministère du Revenu for revision of the costs of the provision for bad debts, $103.5 million resulting from, among other factors, a change in the compensation payment schedule provided for under the Fiscal Pact and $65.0 million due to changes in the schedule of payment of financial assistance for maintenance of the local road system.

- The debt service forecast was revised upward by $136.0 million. This revision is due, among other factors, to the fact that the Canadian dollar was weaker than forecast against certain currencies.

Table 2.2: EVOLUTION IN THE 2002-2003 EXPENDITURE FORECAST[1]

	Program spending $M	Debt service $M	Total expenditures $M
2002-2003 Expenditure Budget	43,223.0	6,497.0	49,720.0
PLUS: changes in the forecast			
- Santé et Services sociaux	284.6	-	284.6
- Emploi, Solidarité sociale	140.1	-	140.1
- Other additional expenditures2	456.3	136.0	592.3
PROBABLE EXPENDITURE	44,104.0	6,633.0	50,737.0

[1] The data in this table do not include the effect of consolidation of agencies and special funds.

[2] Program spending was adjusted on the basis of the 2003-2004 budgetary and financial structure.

3. CHANGES IN APPROPRIATIONS AUTHORIZED IN 2002-2003

- At the beginning of the 2002-2003 fiscal year, the appropriations tabled in the National Assembly totalled $50,606.8 million, or $44,109.8 million for program spending and $6,497.0 million for the debt service.

- Supplementary estimates of $312.0 million were tabled in the National Assembly in December 2002 for the 2002-2003 fiscal year, including $204.0 million for the Ministère de la Santé et des Services sociaux and $108.0 million for the Ministère de l'Emploi et de la Solidarité sociale.

- The supplementary estimates include voted appropriations of $183.0 million and permanent appropriations of $129.0 million.

- Moreover, permanent appropriations were revised upward by $323.5 million. This difference is mainly explained by the $136.0 million increase in the debt service and the $87.0 million revision of the cost of the Ministère du Revenu's provision for bad debts.

- The 2001-2002 appropriations carried over to 2002-2003 amount to $38.7 million, or $9.0 million more than the amount forecast in the initial appropriations.

Table 2.3: RECONCILIATION BETWEEN APPROPRIATIONS AND PROBABLE EXENDITURE IN 2002-2003

	Program spending $M	Debt service $M	Total expenditures $M
INITIAL APPROPRIATION	44,109.8	6,497.0	50,606.8
Supplementary Estimates # 1 2002-2003[1]	312.0	-	312.0
Permanent appropriations: other variations	187.5	136.0	323.5
2001-2002 appropriations carried over to 2002-2003: variation	9.0	-	9.0
TOTAL APPROPRIATIONS	44,618.3	6,633.0	51,251.3
LESS: Appropriations allocated to the capital budget	(716.1)	-	(716.1)
PLUS: Depreciation expenditures	201.8	-	201.8
PROBABLE EXPENDITURE	44,104.0	6,633.0	50,737.0

[1] These supplementary estimates include voted appropriations of $183.0 million and permanent appropriations of $129.0 million.

CHAPTER 3

2003-2004 EXPENDITURE BUDGET
BREAKDOWN BY MAJOR CATEGORY AND BENEFICIARY

2003-2004 EXPENDITURE BUDGET BREAKDOWN BY MAJOR CATEGORY AND BENEFICIARY IN BRIEF

- In 2003-2004, total government expenditures stand at $53,561.0 million.
  - — Program spending accounts for $46,593.0 million, or 87.0% of the total.
  - — The government debt service amounts to $6,968.0 million, or 13.0% of the total.

EXPENDITURE CATEGORIES

- — Program spending consists, in particular, of remuneration, which accounts for 55.5%, and support expenditures, which account for 24.0%.

BENEFICIARIES

- — Over 50.0% of program spending is paid to the health and social services network and to educational institutions.

1. EXPENDITURE BREAKDOWN OVERVIEW

BREAKDOWN OF TOTAL EXPENDITURES BY SUPERCATEGORY

- Total government expenditures add up to $53,561.0 million in 2003-2004.
- Broken down by supercategory, total expenditures are allocated as follows:
  - — 73.6% are "Transfer" expenditures;
  - — 13.0% are allocated to the government debt service;
  - — 13.4% are allocated to operating expenditures and other categories.

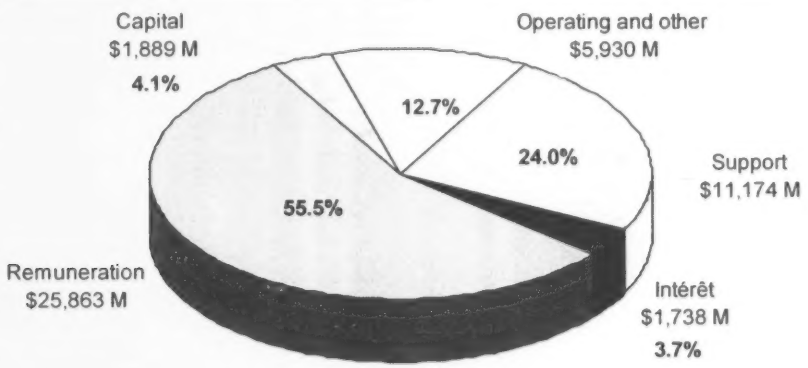
Table 3.1: 2003-2004 EXPENDITURE BUDGET BY SUPERCATEGORY AND CATEGORY

	CATEGORIES						
	Remuneration	Operating	Capital	Interest	Support	Other	Total
SUPERCATEGORIES	**$M**	**$M**	**$M**	**$M**	**$M**	**$M**	**$M**
Remuneration	2,925.8	-	-	-	-	-	2,925.8
Operating	-	2,303.	-	-	-	-	2,303.8
Transfers	22,463.1	3,609.	1,590.8	1,514.3	10,254.7	-	39,432.3
Allocation to a special fund	473.8	139.	297.8	223.4	919.0	-	2,053.2
Bad debts and other	-	-	-	-	-	277.9	277.9
Savings to be realized	-	-	-	-	-	(400.0)	(400.0)
Program spending	25,862.7	6,052.	1,888.6	1,737.7	11,173.7	(122.1)	46,593.0
Debt service	-	-	-	6,968.0	-	-	6,968.0
TOTAL	25,862.7	6,052.	1,888.6	8,705.7	11,173.7	(122.1)	53,561.0

BREAKDOWN OF PROGRAM SPENDING BY CATEGORY

- Program spending adds up to $46,593.0 million, or 87.0% of total government expenditures in 2003-2004.
- Broken down by category, program spending is allocated as follows:
  - — 55.5% to remuneration expenditures, or $25,862.7 million;
  - — 24.0%, or $11,173.7 million, to support expenditures for individuals, businesses, government and parapublic agencies and other government partners;
  - — 12.7%, or $5,930.3 million to operating expenditures;
  - — 4.1%, or $1,886.6 million to capital expenditures;
  - — 3.7% to provide for interest expenditures on the subsidized debt, or $1,737.7 million.
- The nature of the expenditure categories is presented in more detail in Appendix 3.1.

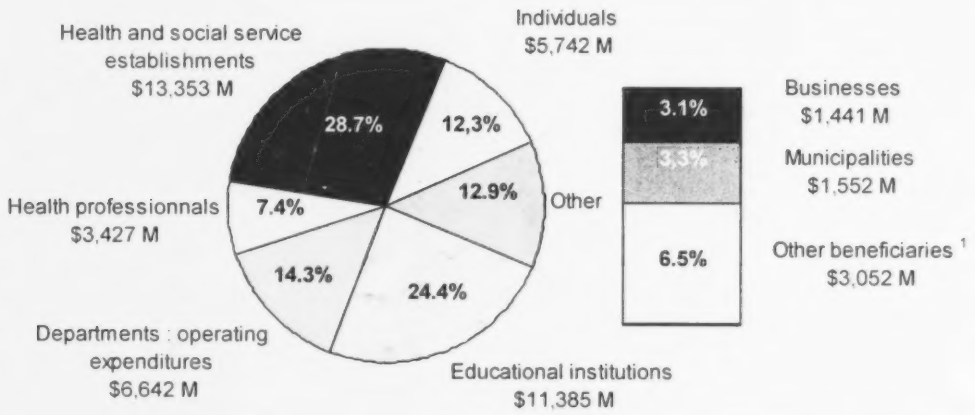
Graph 3.1: PROGRAM SPENDING 2003-2004 BY MAJOR CATEGORY: $46,593 MILLION



BREAKDOWN OF PROGRAM SPENDING BY BENEFICIARY

- Health and social service establishments, with $13,352.9 million, and educational institutions, with $11,384.7 million, add up to 53.1% of the program spending forecast in 2003-2004.
- Expenditures for individuals amount to $5,741.6 million, of 12.3% of program spending.
- Remuneration of health professionals accounts for $3,427.0 million, representing 7.4% of program spending.
- A 12.9% portion of program spending, or $6,045.0 million, is allocated to various other beneficiaries, i.e. businesses, municipalities, non-profit organizations and government corporations and agencies.
- Department operating expenditures, at $6,641.8 million, account for 14.3% of program spending.

Graph 3.2: PROGRAM SPENDING 2003-2004 BY BENEFICIARY: $46,593 MILLION



[1] Includes other beneficiaries and savings to be realized.

- Appendix 3.3 presents a breakdown of program spending by beneficiary for each portfolio.

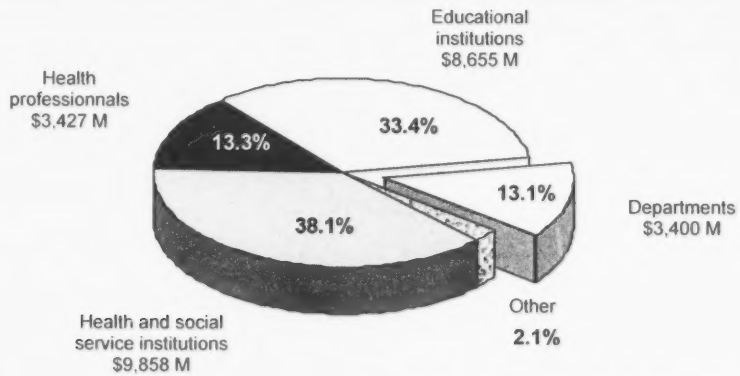
Table 3.2: BREAKDOWN OF THE 2003-2004 PROGRAM SPENDNG FORECAST BY BENEFICIARY

	Santé et Services sociaux	Éducation	Emploi, Solidarité sociale	Famille, Enfance et Condition féminine	Other departments	Other	Total
	$M	**$M**	**$M**	**$M**	**$M**	**$M**	**$M**
Departments: operating expenditures	123.2	178.8	565.2	54.1	5,720.5	-	6,641.8
Health and social service establishments	13,288.2	-	-	-	64.7	-	13,352.9
Health professionals	3,427.0	-	-	-	-	-	3,427.0
Educational institutions	-	11,144.1	96.7	-	143.9	-	11,384.7
Assistance for individuals	1,584.5	296.6	2,999.8	584.2	276.5	-	5,741.6
Assistance for enterprises	164.2	-	70.8	198.9	1,007.0	-	1,440.9
Assistance for municipalities	-	-	-	-	1,552.1	-	1,552.1
Other beneficiaries	516.0	66.0	284.3	1,188.5	1,397.2	-	3,452.0
Savings to be realized	-	-	-	-	-	(400.0)	(400.0)
PROGRAM SPENDING	19,103.1	11,685.5	4,016.8	2,025.7	10,161.9	(400.0)	46,593.0

2. REMUNERATION EXPENDITURES

- Remuneration expenditures amount to $25,862.7 million in 2003-2004, or 55.5% of program spending.
  - The health and social services network and institutions in the education networks respectively share 38.1% and 33.4% of the total remuneration expenditures.
  - Health professionals account for 13.3% of remuneration expenditures while the share of personnel of the departments is 13.1%.
- Comparing the expenditure forecast in 2003-2004 with the expenditures for the 2002-2003 fiscal year, remuneration is up $1,306.1 million.
- A substantial share of the growth results mostly from:
  - $440.0 million excluding health professionals as a result of the 2% salary increase beginning April 1, 2003 as well as the lump sum of 2% which will be paid out between April 1 and June 30, 2003;
  - $625.0 million in the health and social services sector notably due to the amount invested to upgrade services as forecast in the Plan de la santé et des services sociaux.

Graph 3.3: **2003-2004 REMUNERATION EXPENDITURES BY BENEFICIARY: $25,863 MILLION**



— $205.0 million in the education networks notably to foster academic success and to take on commitments involving framework performance contracts signed with the universities as well as the agreement with the teachers of the school boards.

Table 3.3: FORECAST REMUNERATION EXPENDITURES FOR 2003-2004 [1]

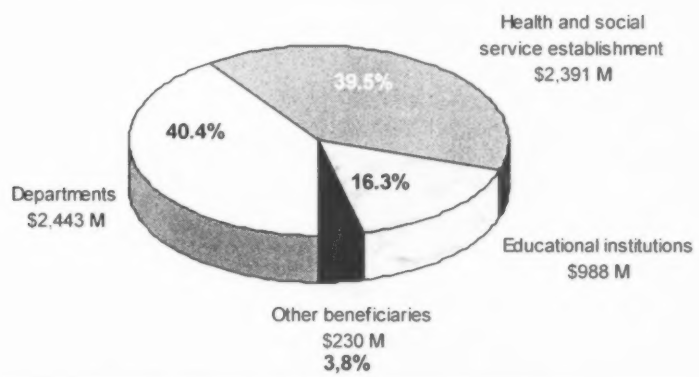
	Salaries	Employer contributions			Total
		Retirement plans	Other	Subtotal	
	$M	$M	$M	$M	$M
SANTÉ ET SERVICES SOCIAUX					
Department	54.4	-	6.4	6.4	60.8
Health and social service establishments	8,364.6	546.2	946.7	1,492.9	9,857.5
Health professionals	3,427.0	-	-	-	3,427.0
Other beneficiaries	120.1	-	8.2	8.2	128.3
	11,966.1	546.2	961.3	1,507.5	13,473.6
ÉDUCATION					
Department	78.5	-	8.0	8.0	86.5
Educational institutions	7,260.5	647.5	746.5	1,394.0	8,654.5
Other beneficiaries	9.8	-	1.5	1.5	11.3
	7,348.8	647.5	756.0	1,403.5	8,752.3
EMPLOI, SOLIDARITÉ SOCIALE					
Department	319.4	-	39.6	39.6	359.0
Other beneficiaries	7.1	-	0.9	0.9	8.0
	326.5	-	40.5	40.5	367.0
OTHER					
Departments	2,305.1	306.2	282.0	588.2	2,893.3
Other beneficiaries	319.8	24.9	31.8	56.7	376.5
	2,624.9	331.1	313.8	644.9	3,269.8
TOTAL	22,266.3	1,524.8	2,071.6	3,596.4	25,862.7
2002-2003 COMPARABLE	21,117.6	1,469.4	1,969.6	3,439.0	24,556.6

[1] Includes appropriations for the Remuneration supercategory, Remuneration category, as well as Transfers and Allocation to a special fund supercategories.

3. OPERATING EXPENDITURES

- Operating expenditures amount to $6,052.4 million in 2003-2004, broken down as follows:
  - — 40.4% of expenditures are allocated to the departments;
  - — 39.5% for health and social service establishments;
  - — 16.3% for educational institutions;
  - — 3.8% for other beneficiaries.
- An additional $800.3 million is allocated to operating expenditures in 2003-2004 compared to 2002-2003. This growth is mainly due to the following changes:
  - — In the health and social services sector, a $220.5-million increase results from budget adjustments to upgrade health services and finance the increase in service costs;
  - — In the education sector, a $75.1-million increase is due notably to foster academic success and to take on commitments involving framework performance contracts signed with the universities.

Graph 3.4: FORECAST OPERATING EXPENDITURES FOR 2003-2004: $6,052 MILLION



— In the Persons Appointed by the National Assembly portfolio, the $45.8-million increase is essentially due to the amount reserved for the Directeur général des élections for the holding of general elections;

— In the Conseil du trésor, Administration et Fonction publique portfolio, an increase of $392.3 million coming from the Contingency Fund.

Table 3.4: FORECAST OPERATING EXPENDITURES FOR 2003-2004

	Operating [1]	Transfers		Total
		Networks	Other	
	$M	**$M**	**$M**	**$M**
SANTÉ ET SERVICES SOCIAUX				
Department	62.5	-	-	62.5
Assistance for health and social service establishments	-	2,391.2	-	2,391.2
Other beneficiaries	-	-	74.3	74.3
	62.5	2,391.2	74.3	2,528.0
ÉDUCATION				
Department	50.4	-	-	50.4
Assistance for educational institutions	-	988.2	-	988.2
Other beneficiaries	-	-	3.3	3.3
	50.4	988.2	3.3	1,041.9
EMPLOI, SOLIDARITÉ SOCIALE				
Department	157.2	-	-	157.2
Other beneficiaries	-	-	1.9	1.9
	157.2	-	1.9	159.1
OTHER				
Departments	2,172.9	-	-	2,172.9
Other beneficiaries	-	-	150.5	150.5
	2,172.9	-	150.5	2,323.4
TOTAL	2,443.0	3,379.4	230.0	6,052.4
2002-2003 COMPARABLE	1,939.7	3,099.8	212.6	5,252.1

[1] Includes expenditures for the Operating category of the Allocation to a special fund supercategory.

4. CAPITAL EXPENDITURES

- Forecast capital expenditures total $1.888.6 million in 2003-2004, or $274.6 million more than the previous fiscal year. They are divided among the following beneficiaries:

  — 22.7% is allocated to municipalities, or $429.6 million;

  — 24.0% is allocated to educational institutions, representing $453.5 million;

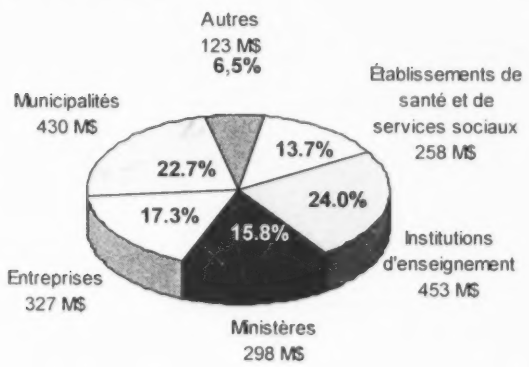
  — 17.3% goes to businesses, for a total of $326.7 million;

  — 13.7% concerns expenditures of health and social service establishments, or $257.9 million;

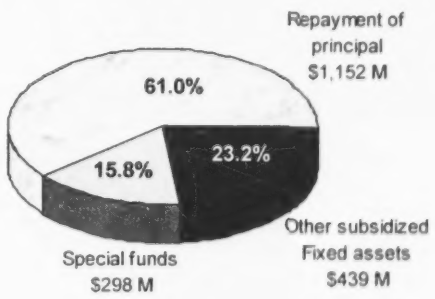
  — 15.8% for the departments, i.e. $297.8 million and 6.5% for the other beneficiaries, i.e. an amount of $123.1 million.

Graphs 3.5 and 3.6: FORECAST CAPITAL EXPENDITURES BY BENEFICIARY AND BY AVENUES OF INTERVENTION: $1,889 MILLION

Beneficiaries



Avenues of intervention



- Capital expenditures are allocated according to three avenues of intervention preferred by the Government:

  — Expenditures for repayment of principal on subsidized debt, representing 61.0% of total 2003-2004 capital expenditures;

  — Expenditures allocated to special funds representing 15.8% of total capital expenditures;

  — Subsidized fixed assets amounting to 23.2% of these expenditures.

CAPITAL APPROPRIATIONS FOR SPECIAL FUNDS

- The amounts allocated for capital expenditures of special funds are up $79.1 million, increasing from $218.7 million in 2002-2003 to $297.8 million in 2003-2004. This change is mainly due to an $80.3 million increase in expenditures posted to the Road Network Preservation and Improvement Fund.

EXPENDITURES FOR REPAYMENT OF PRINCIPAL

- Expenditures for repayment of principal serve to cover the Government's share of capital investments subsidized through the debt service. This avenue of intervention applies to capital investments acquired by school boards, CEGEPs, universities and health and social service establishments, as well as municipalities for public transportation and water purification, and cultural institutions for cultural facilities.

- Completed capital investment projects in these sectors are financed by long-term borrowing. The repayment schedule in some cases may extend over 25 years. To cover its share, the Government undertakes to repay all or part of the principal.

- Expenditures for repayment of principal increase from $1,049.0 million in 2002-2003 to $1,151.7 million in 2003-2004, an increase of $102.7 million primarily explained as follows:

  — A $58.4 million increase for construction work carried out under the capital investment plans of the health and social services network, school boards, CEGEPs and universities;

— A $33.8 million increase in the Affaires municipales et Métropole portfolio, mainly for municipal infrastructure and housing programs.

OTHER SUBSIDIZED FIXED ASSETS

- Expenditures for other subsidized fixed assets increase from $346.3 million in 2002-2003 to $439.1 million in 2003-2004, up $92.8 million

Table 3.5: FORECAST CAPITAL EXPENDITURES BY BENEFICIARY IN 2003-2004

	Special funds[1]	Subsidized fixed assets		Total
		Repayment of principal	Other	
	$M	**$M**	**$M**	**$M**
SANTÉ ET SERVICES SOCIAUX				
Health and social service establishments	-	239.6	18.3	257.9
Other beneficiaries	-	-	2.1	2.1
	-	239.6	20.4	260.0
ÉDUCATION				
Educational institutions	-	436.5	17.0	453.5
Other beneficiaries	-	-	2.8	2.8
	-	436.5	19.8	456.3
OTHER				
Departments	297.8	-	-	297.8
Assistance for businesses	-	7.6	319.1	326.7
Assistance for municipalities	-	365.8	63.8	429.6
Other beneficiaries	-	102.2	16.0	118.2
	297.8	475.6	398.9	1,172.3
TOTAL	297.8	1,151.7	439.1	1,888.6
2002-2003 COMPARABLE	218.7	1,049.0	346.3	1,614.0

[1] Includes expenditures in the Capital category of the Transfer and Allocation to a special fund supercategories.

5. INTEREST EXPENDITURES

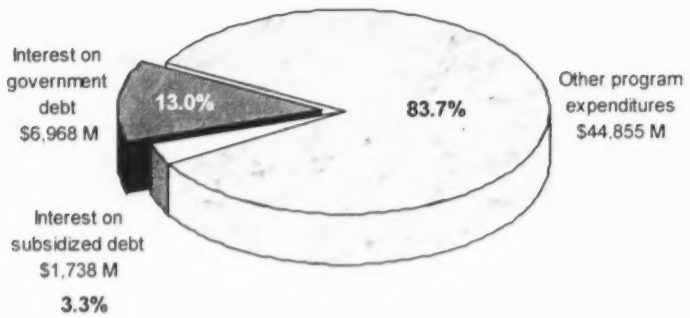
- Interest expenditures assumed by the Government amount to $8,705.7 million for the 2003-2004 fiscal year, compared to $8,340.1 million for the previous fiscal year. They account for 16.3% of the forecast total expenditures for 2003-2004.

- Interest expenditures include allocations for subsidized debt service, taken into account in program spending, and expenditures applied to interest payments on government debt.

- 2003-2004 forecast interest expenditures on government debt amount to $6,968.0 million, compared to $6,633.0 million for 2002-2003, accounting for 13.0% of government expenditures.

- Allocations for subsidized debt service stand at $1,737.7 million in 2003-2004, compared to $1,707.1 million in 2002-2003. Their relative weight is 3.3% compared to total government expenditures.

Graph 3.7: **INTEREST EXPENDITURES AS SHARE OF TOTAL EXPENDITURES FOR 2003-2004: $8,706 MILLION**



INTEREST ON GOVERNMENT DEBT

- Interest expenditures on government debt total $6,968.0 million for 2003-2004, an increase of $335.0 million over the previous fiscal year. They consist of two elements: financial expenses attributable to direct debt and those attributable to the retirement plans account.

- Financial expenses attributable to direct debt amount to $4,245.0 million for 2003-2004. Financial expenses attributable to the retirement plans account total $2,723.0 million for 2003-2004.

- The $318.0 million increase in the interest payment on direct debt is mainly due to the rise in interest rates.

- Moreover, interest expenditures on the Retirement plans account are up $17.0 million for 2003-2004, due to the increase in the average actuarial liability.

INTEREST ON SUBSIDIZED DEBT

- Interest on subsidized debt amounts to $1,737.7 million for 2003-2004 compared to $1,707.1 million in 2002-2003, down $30.6 million. Three main elements account for this change:

  — A $32.7 million reduction in the Affaires municipales et Métropole portfolio, mainly due to a decrease in repayment of borrowing under Québec water purification and aqueduct and sewer construction programs;

  — A $5.9 million increase in the Famille, Enfance et Condition féminine portfolio to cover the interest costs incurred for development of education-oriented child care services, which have been funded from the subsidized debt since 2002-2003;

  — A $2.7 million increase with respect to the Politique nationale de l'eau in the Environnement portfolio, announced in 2002.

- Interest on subsidized debt amounts to $1,737.7 million for the 2003-2004 fiscal year. Subsidized interest expenditure is broken down by beneficiary as follows:

  — 35.8% for educational institutions, or $622.2 million;

  — 24.0% for municipalities, representing $417.1 million;

  — 18.2% goes to health and social service establishments with $316.4 million;

  — Other beneficiaries with $158.6 million, for 9.1%, and the departments with $223.4 million, for 12.9%.

Graph 3.8: **INTEREST EXPENDITURE ON SUBSIDIZED DEBT BY BENEFICIARY: $1,738 MILLION**

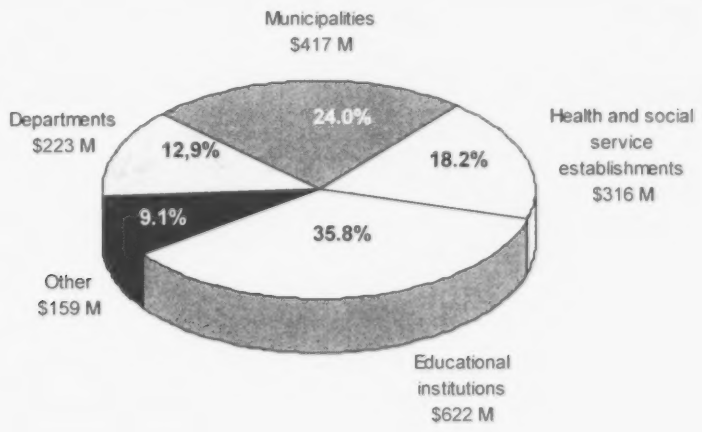


Table 3.6: FORECAST INTEREST EXPENDITURES BY BENEFICIARY IN 2003-2004

	Subsidized debt and other[1]	Government debt	Total
	$M	**$M**	**$M**
SANTÉ ET SERVICES SOCIAUX			
Health and social service establishments	316.4	-	316.4
	316.4	-	316.4
ÉDUCATION			
Educational institutions	622.2	-	622.2
Other beneficiaries		-	
	622.2	-	622.2
OTHER			
Departments	223.4	-	223.4
Municipalities	417.1	-	417.1
Other beneficiaries	158.6	-	158.6
	799.1	-	799.1
PROGRAM SPENDING	1,737.7	-	1,737.7
DEBT SERVICE			
Direct debt	-	4,245.0	4,245.0
Retirement plans account	-	2,723.0	2,723.0
	-	6,968.0	6,968.0
TOTAL	1,737.7	6,968.0	8,705.7
2002-2003 COMPARABLE	1,707.1	6,633.0	8,340.1

[1] Includes expenditures in the Interest category of the Transfers and Allocation to a Special fund supercategories.

6. SUPPORT EXPENDITURES

- Expenditures in the Support category encompass various support and assistance programs mainly intended for individuals, non-profit organizations, businesses and municipalities. They specifically include:

  — In the Santé et Services sociaux portfolio, the Medical Assistance and Prescription Drug Insurance programs administered by the Régie de l'assurance maladie du Québec and assistance for family-type resources and community organizations and auxiliary subsidies for the health and social services network;

  — In the Éducation portfolio, the School Transportation Assistance Program and the Student Financial Assistance Program;

  — In the Emploi, Solidarité sociale portfolio, the financial assistance and employment assistance measures;

  — In the Famille, Enfance et Condition féminine portfolio, child allowance programs and support for early childhood centres and other child care services.

- In other portfolios, they include programs such as:

  — the Social Housing Assistance and Home Improvement Programs managed by the Société d'habitation du Québec;

  — the financial compensation programs under the Ministère des Affaires municipales et Métropole;

  — the programs of Ministère de l'Agriculture, des Pêcheries et de l'Alimentation providing financial support to farmers and assistance to agri-food businesses;

  — the municipal public transportation assistance programs of the Ministère des Transports;

  — the financial support programs for the manufacturing and commercial sectors, development of external trade and development of research and innovation of the Finances, Économie et Recherche portfolio.

- Support expenditures amount to $11,173.7 million for 2003-2004, compared to $10,532.6 million for 2002-2003. The change in expenditures is primarily explained by the following changes:

  — In the Emploi, Solidarité sociale portfolio, an $87.9 million reduction, mainly due to a forecast decline in the number of households on income security in 2003-2004;

  — In the Finances, Économie et Recherche portfolio, a $39.3 million reduction, mainly due to the end of the Connecting Families to the Internet Program.

  — In the Santé et Services sociaux portfolio, a $327.2 million increase is essentially related to the forecast increase in the cost of prescription drugs and the additional costs attributable to the blood system;

  — In the Famille, Enfance et Condition féminine portfolio, a $165.0 million increase mainly due to the increase in the accommodation capacity of the network of education-oriented child care centres through the development of new places in early childhood centres and child care centres, and the establishment of a retirement plan for employees working in the child care services field;

  — In the Conseil exécutif portfolio, a $52.9 million increase is mainly due to the new agreements with the Cree Nation.

  — In the Éducation portfolio, the $51.3 million increase is mainly due to an increase in school transportation assistance and financial assistance for education.

- More than half the support expenditures are paid to individuals. In 2003-2004, 50.6% of these expenditures, or $5,657.5 million, are forecast as payable to individuals.

Graph 3.9: **BREAKDOWN OF 2003-2004 SUPPORT EXPENDITURES BY BENEFICIARY: $11,174 MILLION**

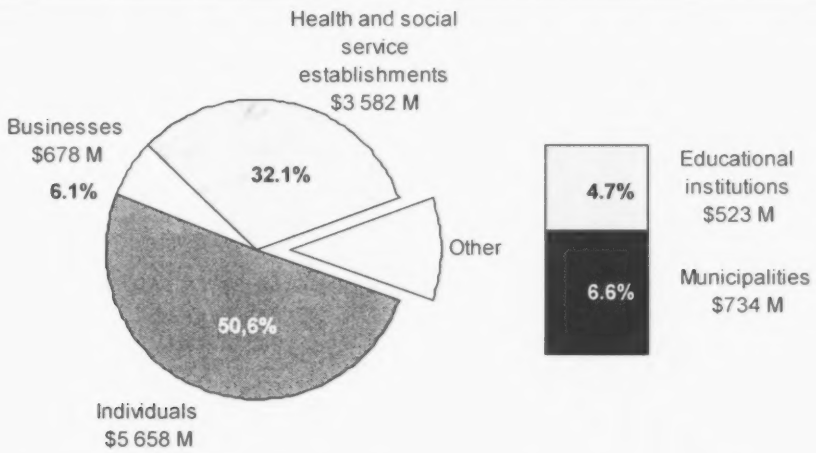


Table 3.7: FORECAST SUPPORT EXPENDITURES IN 2003-2004

	Transfers	Other[1]	Total
	$M	**$M**	**$M**
SANTÉ ET SERVICES SOCIAUX			
Health and social service establishments	465.4	-	465.4
Assistance for individuals	1,584.5	-	1,584.5
Other beneficiaries	475.2	-	475.2
	2,525.1	-	2,525.1
ÉDUCATION			
Educational institutions	425.8	-	425.8
Assistance for individuals	296.6	-	296.6
Other beneficiaries	48.7	-	48.7
	771.1	-	771.1
EMPLOI, SOLIDARITÉ SOCIALE			
Educational institutions	-	96.7	96.7
Assistance for individuals	2,616.1	383.6	2,999.7
Other beneficiaries	14.1	331.0	345.1
	2,630.2	811.3	3,441.5
FAMILLE, ENFANCE ET CONDITION FÉMININE			
Assistance for individuals	584.2	-	584.2
Other beneficiaries	1,372.2	-	1,372.2
	1,956.4	-	1,956.4
OTHER			
Assistance for businesses	639.8	37.8	677.6
Assistance for municipalities	733.8	0.4	734.2
Assistance for individuals	192.5	-	192.5
Other beneficiaries	805.9	69.4	875.3
	2,372.0	107.6	2,479.6
TOTAL	10,254.8	918.9	11,173.7
2002-2003 COMPARABLE	9,645.5	887.1	10,532.6

[1] Includes expenditures in the Support category of the Allocation to a special fund supercategory.

7. EXPENDITURES PERTAINING TO THE PROVISION FOR BAD DEBTS AND OTHER PROVISIONS

- The expenditures inherent in the change in the provision for bad debts and the provision for losses on financial initiatives guaranteed by the Government are grouped in the Bad debts and other provisions supercategory. For 2003-2004, they amount to $278.0 million, compared to $441.5 million for the 2002-2003 fiscal year.

PROVISION FOR BAD DEBTS

- For 2003-2004, the expenditures related to the change in the provision for bad debts total $222.5 million, down $125.9 million from the previous fiscal year. This reduction is due to the change in the provision for bad debts of the Ministère du Revenu and the Ministère de l'Éducation.

PROVISION FOR LOSSES ON FINANCIAL INITIATIVES GUARANTEED BY THE GOVERNMENT

- Expenditures pertaining to the provision for losses on financial initiatives guaranteed by the Government are down $37.6 million, amounting to $55.5 million in 2003-2004. This reduction comes from the Finances, Économie et Recherche portfolio.

Table 3.8: EXPENDITURES PERTAINING TO THE 2003-2004 PROVISION FOR BAD DEBTS AND OTHER PROVISIONS

	Bad debts	Losses on financial initiatives guaranteed by the Government	Total
	$M	**$M**	**$M**
Éducation	41.9	-	41.9
Emploi et Solidarité sociale	4.3	-	4.3
Finances	-	54.3	54.3
Revenu	154.6	-	154.6
Other departments	21.7	1.2	22.9
TOTAL	222.5	55.5	278.0
2002-2003 COMPARABLE	348.4	93.1	441.5

APPENDIX 3.1

NATURE OF THE EXPENDITURE CATEGORIES PRESENTED IN THIS CHAPTER

- Remuneration expenditures encompass the salaries of health professionals and employees of the health and social services network, the education networks and the public service, employer contributions to the retirement plans and employer contributions paid to the various government plans established and the group insurance plans.

- Support expenditures include various other subsidies intended to provide various forms of financial assistance to individuals, businesses, government and parapublic agencies and other government partners.

- Operating and other expenditures include the support and administrative expenditures of departments and agencies, including the Contingency Fund, those of the health and social services network and those of the education networks. Also included are expenditures related to depreciation of fixed assets of departments and agencies.

- Capital expenditures include subsidized fixed assets and allocations to special funds for the purposes of commitments inherent in their fixed assets. The Government subsidizes, as the case may be, the cost of the beneficiaries' fixed assets or repayment of the principal amount of loans contracted by its partners.

APPENDIX 3.2
2003-2004 EXPENDITURE BUDGET - BREAKDOWN BY MAJOR CATEGORY (IN MILLIONS OF $)

	Remuneration	Operating and Other[1]	Capital	Interest	Support	Total
Affaires municipales et Métropole	87.9	33.9	322.3	422.6	720.4	1,587.1
Agriculture, Pêcheries et Alimentation	167.4	59.9	15.0	-	416.8	659.1
National Assembly	66.3	25.2	-	-	0.1	91.6
Conseil du trésor, Administration et Fonction publique	460.6	417.0	1.8	8.2	0.2	887.8
Conseil exécutif	38.4	66.8	4.4	4.1	134.7	248.4
Culture et Communications	152.5	91.6	53.3	48.9	185.2	531.5
Éducation	8,752.3	1,083.6	456.3	622.2	771.1	11,685.5
Emploi, Solidarité sociale	367.0	163.4	42.5	2.4	3,441.5	4,016.8
Environnement	112.2	48.4	9.4	5.7	17.4	193.1
Famille, Enfance et Condition féminine	32.9	21.2	8.7	6.5	1,956.4	2,025.7
Faune et Parcs	58.8	39.7	3.8	0.1	8.8	111.2
Finances, Économie et Recherche	170.3	240.1	280.3	4.2	397.5	1,092.4
Justice	333.1	185.3	0.5	-	38.2	557.1
Persons Appointed by the National Assembly	35.6	64.9	-	-	2.6	103.1
Régions	14.0	13.4	12.7	-	178.2	218.3
Relations avec les citoyens et Immigration	129.1	52.1	-	-	27.5	208.7
Relations internationales	54.9	31.9	0.9	0.4	24.3	112.4
Ressources naturelles	122.7	85.7	3.2	2.2	64.2	278.0
Revenu	350.1	314.9	24.1	4.0	0.1	693.2
Santé et Services sociaux	13,473.6	2,528.0	260.0	316.4	2,525.1	19,103.1
Sécurité publique	514.2	263.0	4.6	0.2	49.8	831.8
Tourisme, Loisir et Sport	27.2	13.4	5.8	3.8	82.6	132.8
Transports	299.9	464.5	379.0	285.8	130.8	1,560.0
Travail	41.7	22.4	-	-	0.2	64.3
Savings to be realized	-	(400.0)	-	-	-	(400.0)
Program spending	**25,862.7**	**5,930.3**	**1,888.6**	**1,737.7**	**11,173.7**	**46,593.0**
Government debt service	-	-	-	6,968.0	-	6,968.0
Total expenditures	**25,862.7**	**5,930.3**	**1,888.6**	**8,705.7**	**11,173.7**	**53,561.0**

[1] This heading includes the provision for bad debts.

APPENDIX 3.3
2003-2004 EXPENDITURE BUDGET - BREAKDOWN BY BENEFICIARY (IN MILLIONS OF $)

	Department[1]	Health and social service establishments	Educational institutions	Individuals[2]	Municipalities	Businesses	Other[3]	Total
Affaires municipales et Métropole	66.6	-	21.1	119.3	1,096.0	10.9	273.2	1,587.1
Agriculture, Pêcheries et Alimentation	175.4	-	0.9	-	3.7	405.4	73.7	659.1
National Assembly	91.4	-	-	0.1	-	-	0.1	91.6
Conseil du trésor, Administration et Fonction publique	861.0	1.5	25.1	-	-	-	0.2	887.8
Conseil exécutif	97.7	-	0.3	-	25.5	6.3	118.6	248.4
Culture et Communications	101.4	-	2.8	10.2	45.4	43.0	328.7	531.5
Éducation	178.8	-	11,144.1	296.6	-	-	66.0	11,685.5
Emploi, Solidarité sociale	565.2	-	96.7	2,999.8	-	70.8	284.3	4,016.8
Environnement	160.7	-	-	-	14.0	-	18.4	193.1
Famille, Enfance et Condition féminine	54.1	-	-	584.2	-	198.9	1,188.5	2,025.7
Faune et Parcs	98.4	-	-	-	7.3	-	5.5	111.2
Finances, Économie et Recherche	354.1	63.0	89.6	25.4	-	426.6	133.7	1,092.4
Justice	380.5	-	-	91.4	-	-	85.2	557.1
Persons Appointed by the National Assembly	100.4	-	-	-	-	-	2.7	103.1
Régions	27.5	0.2	1.1	-	15.2	50.3	124.0	218.3
Relations avec les citoyens et Immigration	181.2	-	0.4	15.2	0.3	-	11.6	208.7
Relations internationales	85.4	-	1.3	2.1	-	-	23.6	112.4
Ressources naturelles	205.9	-	0.5	-	1.8	35.7	34.1	278.0
Revenu	693.1	-	-	-	-	-	0.1	693.2
Santé et Services sociaux	123.2	13,288.2	-	5,011.5	-	164.2	516.0	19,103.1
Sécurité publique	782.0	-	-	2.9	37.9	-	9.0	831.8
Tourisme, Loisir et Sport	32.7	-	-	8.6	1.7	8.2	81.6	132.8
Transports	1,167.6	-	0.8	1.3	303.3	20.6	66.4	1,560.0
Travail	57.5	-	-	-	-	-	6.8	64.3
Savings to be realized	-	-	-	-	-	-	(400.0)	(400.0)
Total expenditures	**6,641.8**	**13,352.9**	**11,384.7**	**9,168.6**	**1,552.1**	**1,440.9**	**3,052.0**	**46,593.0**

[1] Includes expenditures accounted for in special funds.

[2] Includes health professionals.

[3] Includes non-profit organizations and government corporations and agencies.

CHAPTER 4
PUBLIC SERVICE STAFF LEVEL

PUBLIC SERVICE STAFF LEVEL
IN BRIEF

- The public service staff level, at 74,200 full-time equivalent (FTEs)[1], accounts for 17% of the total staff level in the public and parapublic sectors.

- In the case of government departments and budget-funded agencies, the staff level envelope for 2003-2004 is 700 FTEs above that initially forecast in 2002-2003.

- In the case of government-owned corporations and other agencies whose staff is subject to the *Public Service Act* (R.S.Q., c. F-3.1.1), the staff level forecast for 2003-2004 exceeds by 375 FTEs the forecast established when the 2002-2003 Expenditure Budget was tabled.

[1] See Definition in Appendix 4.1

1. PUBLIC SERVICE STAFF LEVEL: DEFINITION, TERMS AND CONDITIONS

DEFINITION:

- The public service staff level includes:
  - — the staff, subject to the *Public Service Act* (R.S.Q., c. F-3.1.1), of government departments, agencies and corporations;
  - — the staff of certain budget agencies, not subject to the Act, such as Sûreté du Québec police officers, judges, the Attorney General prosecutors, personnel of the Commission des droits de la personne et des droits de la jeunesse, personnel of the Conseil des services essentiels, and Public Protector personnel.
- This staff level does not include students and interns.

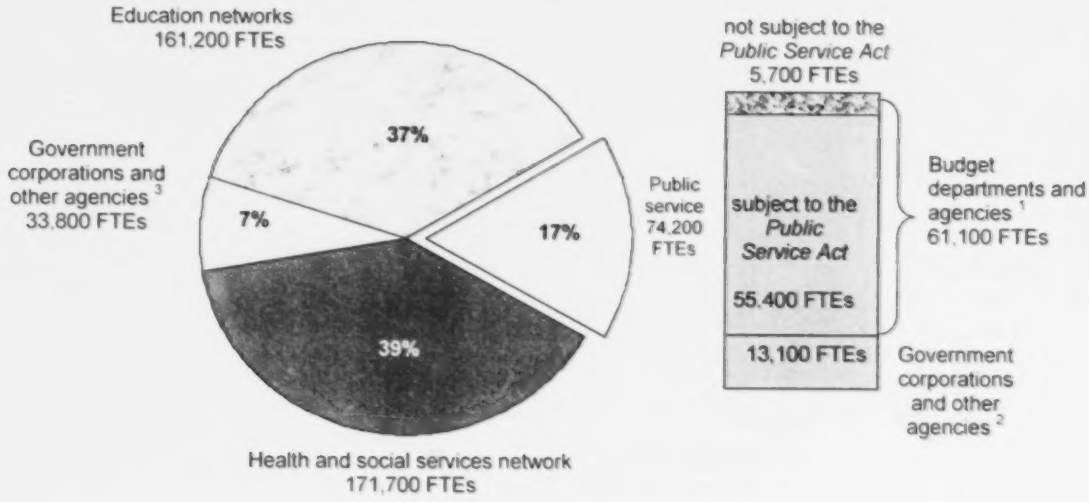
TERMS AND CONDITIONS

- Under the *Public Administration Act* (R.S.Q., c. A-6.01), the Conseil du trésor approves the staff level envelopes for the majority of government departments, agencies and corporations, along with special funds, whose personnel is subject to the *Public Service Act* (R.S.Q., c. F-3.1.1).
- In 2002-2003, new staff level terms and conditions were adopted by the Conseil du trésor. These terms and conditions gave some leeway to deputy ministers and heads of government agencies:
  - — the total staff level of a special fund can be exceeded if the increase in staff level is funded by an equivalent increase in revenues;
  - — the total staff level of a department, agency or corporation may only exceed the authorized staff level envelope by 3.0%;
  - — the regular authorized staff level may be temporarily exceeded by a maximum of 10% of the number of retirements forecast by March 31, 2007.

2. STAFF LEVEL IN THE PUBLIC AND PARAPUBLIC SECTORS

- The utilized staff level in the public and parapublic sectors stands at 440,900 FTEs in 2002-2003.
- The public service staff level is at 74,200 FTEs. The staff level of government corporations and other agencies, on the other hand, totals 33,800 FTEs.
- The staff level of the education networks, which includes personnel from school boards, public colleges and universities, is estimated to be approximately 161,200 FTEs. That of the health and social services network is estimated to be approximately 171,700 FTEs. Together, these two networks account for over 75% of the total government staff level.

Graph 4.1: **DISTRIBUTION OF THE STAFF LEVEL IN THE PUBLIC AND PARAPUBLIC SECTORS IN 2002-2003: 440,900 FTEs**



[1] The utilized staff level of the government departments and budget-funded agencies stands at 61,082 FTEs in 2002-2003. This forecast includes the special funds and the GST Administration Account.

[2] Including government corporations, agencies performing fiduciary activities and consolidated agencies whose personnel is subject to the *Public Service Act*.

[3] Including government corporations, agencies performing fiduciary activities and consolidated agencies whose personnel is not subject to the *Public Service Act*.

2. STAFF LEVEL IN THE PUBLIC AND PARAPUBLIC SECTORS

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- The public service staff level is at 74,200 FTEs. The staff level of government corporations and other agencies, on the other hand, totals 33,800 FTEs.
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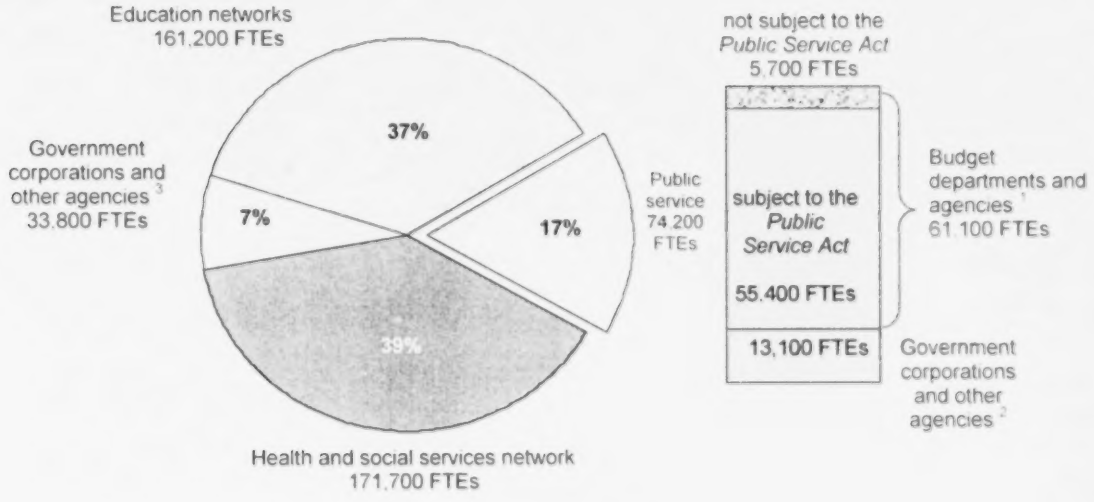


1 The utilized staff level of the government departments and budget-funded agencies stands at 61,082 FTEs in 2002-2003. This forecast includes the special funds and the GST Administration Account.

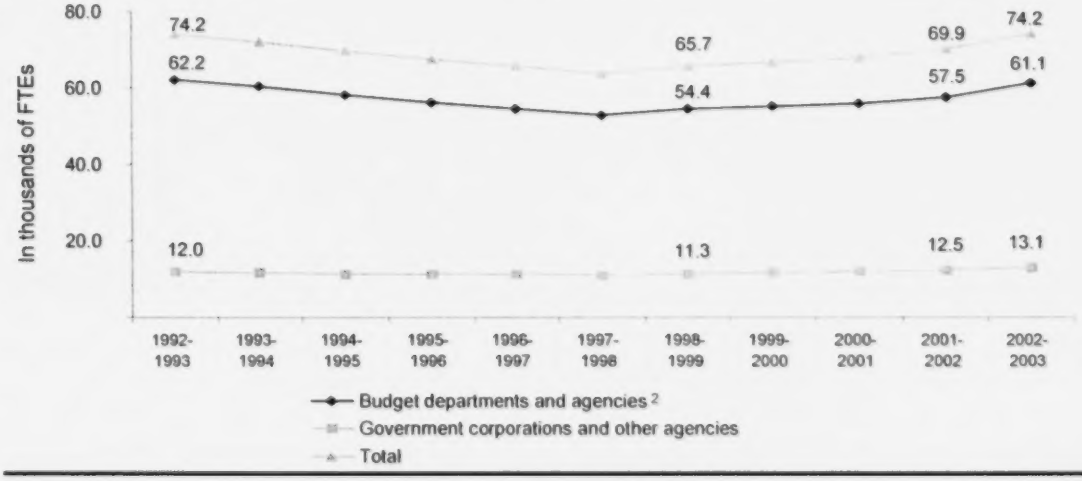
2 Including government corporations, agencies performing fiduciary activities and consolidated agencies whose personnel is subject to the *Public Service Act*.

3 Including government corporations, agencies performing fiduciary activities and consolidated agencies whose personnel is not subject to the *Public Service Act*.

3. EVOLUTION OF THE PUBLIC SERVICE STAFF LEVEL

- In 2002-2003, the public service staff level was at the same level as it had been in 1992-1993, namely 74,200 FTEs.
- A significant decrease in the staff level was observed during the period when efforts were being made to eliminate the deficit, i.e., between 1992-1993 and 1997-1998.
- The increase observed from 1998-1999 to 2001-2002 is mainly due to the Canada-Québec Labour Market Agreement, the intensification of activities related to the collection of revenues owed to the government, an increased focus on fighting organized crime and police security on the highway network.
- A portion of the 2002-2003 increase is in the "Sécurité publique" portfolio, for additional resources devoted to correctional services. The balance of the increase is distributed among various portfolios, according to governmental priorities.

Graph 4.2: EVOLUTION OF THE UTILIZED STAFF LEVEL OF THE PUBLIC SERVICE [1,2]



1 These figures reflect the utilized staff level and are presented for each of the years on the same basis as the data for 2003-2004.

2 A detailed table presented in Appendix 4.2 compares the utilized staff level of the departments and agencies appearing in the 2003-2004 Expenditure Budget over the past ten years in relation to the total staff level envelope forecast.

4. THE TOTAL STAFF LEVEL ENVELOPE FOR DEPARTMENTS AND AGENCIES APPEARING IN THE 2003-2004 EXPENDITURE BUDGET

- The total staff level envelope for government departments and budget-funded agencies forecast in 2002-2003 has been increased by 568 FTEs, from 57,460 FTEs to 58,028 FTEs. The main changes can be found in the following portfolios:

  — "Sécurité publique" portfolio: increase of 284 FTEs, 279 of these in correctional services and for the management of conditional sentence orders;

  — "Conseil du trésor, Administration et Fonction publique" portfolio: increase of 139 FTEs, including 128 FTEs to implement the GIRES project;

  — Ministère de l'Éducation: increase of 50 FTEs, for adding extra staff to correct examination papers.

- The total staff level envelope forecast for 2003-2004 is 58,160 FTEs, slightly higher (132 FTEs) than that for 2002-2003. This increase is mostly found in the following portfolios:

  — "Revenu" portfolio: increase of 99 FTEs, 84 of these in the GST administration Account, subsequent to a growth in activity;

  — "Relations avec les citoyens et Immigration" portfolio: increase of 62 FTEs in the Public Curator, for implementing management controls.

Table 4.1: VARIATION IN THE TOTAL STAFF LEVEL ENVELOPE OF THE DEPARTMENTS AND AGENCIES FORECAST IN THE 2002-2003 EXPENDITURE BUDGET [1]

	FTEs
Total staff level forecast in the 2002-2003 Expenditure Budget	57,460
Plus: Adjustments made during the fiscal year	568
2002-2003 staff level shown in the 2003-2004 Expenditure Budget	58,028 [2]
Plus: Adjustments forecast for the 2003-2004 fiscal year	132
Total staff level forecast in 2003-2004	58,160

[1] The distribution by portfolio is presented in Appendix 4.3.

[2] The variance with the total utilized staff level (61,082 FTEs) is mostly due to the application of authorized leeway measures.

5. TOTAL STAFF LEVEL ENVELOPE OF CORPORATIONS AND OTHER AGENCIES WHOSE PERSONNEL IS SUBJECT TO THE *PUBLIC SERVICE ACT*

- During the 2002-2003 fiscal year, the total staff level envelope of corporations and other agencies grew by 375 FTEs, going from 12,252 FTEs to 12,627 FTEs.

- This variation is primarily within the following agencies:

  — Société d'assurance automobile du Québec: increase of 159 FTEs for the maintenance and the delivery of services;

  — Commission des relations du travail: transfer of 84 FTEs from the Ministère du Travail, and increase of 34 FTEs, with the aim of making it possible to create this new organization;

  — Régie des rentes du Québec: increase of 35 FTEs, 32 of these in order to meet fluctuation in the services to be delivered to its clienteles.

Table 4.2: VARIATION IN THE TOTAL STAFF LEVEL ENVELOPE OF THE CORPORATIONS AND OTHER AGENCIES WHOSE PERSONNEL IS SUBJECT TO THE *PUBLIC SERVICE ACT*[1]

	FTEs
Forecast staff level for the corporations and agencies when the 2002-2003 Expenditure Budget was tabled.	12,252
Plus: Adjustments	375
Staff level envelope forecast in 2003-2004 [2]	12,627

[1] The breakdown by department is presented in Appendix 4.4.

[2] Estimate.

APPENDIX 4.1

GLOSSARY

- **Regular staff level envelope**: Maximum number of permanent or temporary employees holding an employment in the public service. Each year, the Conseil du trésor determines an envelope for each department and agency and also, when applicable, a special fund.

- **Total staff level envelope**: Maximum number of permanent or casual employees, expressed in FTEs, that can be remunerated. Each year, the Conseil du trésor determines an envelope for each department and agency and also, when applicable, a special fund.

- **Total utilized staff level**: Maximum number of regular or casual employees, expressed in FTEs, that have actually been remunerated.

- **Full-time equivalent (FTEs)**: FTE is the ratio between the work benefit of an employee during the course of the year, compared to that of an employee having worked on a full-time basis throughout the entire year.

  For example, the FTE of a person who holds a full-time job and has worked throughout the year equals 1. A person working on a part-time basis, reduced hours or for only a portion of the year will have an FTE between 0 and 1. Lastly, a person on unpaid leave of absence for an entire year will have a utilized FTE of 0.

APPENDIX 4.2

CHANGE IN TOTAL STAFF LEVEL OF DEPARTMENTS AND AGENCIES PRESENTED IN THE 2003-2004 EXPENDITURE BUDGET[1]

	Total staff level forecast [2]		Total utilized staff level	
	FTEs	Variation	FTEs	Variation
1992-1993	65,108		62,164	
1993-1994	63,268	(1,840)	60,347	(1,817)
1994-1995	60,515	(2,753)	58,077	(2,270)
1995-1996	59,659	(856)	56,003	(2,074)
1996-1997	56,736	(2,923)	54,498	(1,505)
1997-1998	54,471	(2,265)	52,678	(1,820)
1998-1999	55,226	755	54,453	1,775
1999-2000	55,329	103	54,991	538
2000-2001	56,250	921	55,655	664
2001-2002 [4]	57,233	983	57,465	1,810
2002-2003 [3, 4]	58,028	795	61,082	3,617

1 The information is presented on the same basis as for the 2003-2004 fiscal year.

2 The total staff level does not take into account the addition of non-recurring staff levels authorized during the fiscal year.

3 The total staff level forecast reflects the 2002-2003 comparative staff level shown in Volumes I and II of the 2003-2004 Expenditure Budget, and the utilized staff level is a probable estimate as at March 31, 2003.

4 The 2002-2003 variance between the total utilized staff level and total forecast is mostly due to application of authorized leeway.

APPENDIX 4.3

THE TOTAL STAFF LEVEL ENVELOPE IN 2002-2003 AND 2003-2004 FOR THE DEPARTMENTS AND AGENCIES WHOSE PERSONNEL IS SUBJECT TO THE *PUBLIC SERVICE ACT* [1]

	2002-2003 Expenditure Budget	Variation	2002-2003 Comparative Staff Level	Variation	2003-2004 Expenditure Budget
	FTEs	FTEs	FTEs	FTEs	FTEs
National Assembly [2]	592	(6)	586	-	586
Persons Appointed by the National Assembly [2]	489	55	544	18	562
Affaires municipales et Métropole	762	18	780	-	780
Agriculture, Pêcheries et Alimentation	2,168	15	2,183	-	2,183
Conseil du trésor, Administration et Fonction publique	1,714	139	1,853	-	1,853
Conseil exécutif	471	(9)	462	(4)	458
Culture et Communications	1,049	-	1,049	-	1,049
Éducation	1,395	50	1,445	-	1,445
Emploi, Solidarité sociale	6,480	-	6,480	-	6,480
Environnement	1,839	44	1,883	55	1,938
Famille, Enfance et Condition féminine	566	-	566	-	566
Faune et Parcs	1,054	12	1,066	-	1,066
Finances, Économie et Recherche	2,171	13	2,184	(15)	2,168
Justice	3,502	6	3,508	(5)	3,503
Régions	165	16	181	-	181
Relations avec les citoyens et Immigration	2,431	(15)	2,416	62	2,478
Relations internationales	587	-	587	-	587
Ressources naturelles	3,489	1	3,490	-	3,490
Revenu	8,374	15	8,389	99	8,488
Santé et Services sociaux	969	15	984	10	994
Sécurité publique	9,513	284	9,797	(88)	9,709
Tourisme, Loisir et Sport	436	(1)	435	-	435
Transports	6,391	-	6,391	-	6,391
Travail	854	(84)	770	-	770
TOTAL	57,460	568	58,028	132	58,160

[1] The staff level includes the special funds and the Ministère du Revenu's GST Administration Account.

[2] The information on the budget of the National Assembly and Persons Appointed by the National Assembly appears in Volume I of the 2003-2004 Expenditure Budget.

APPENDIX 4.4

TOTAL STAFF LEVEL ENVELOPE IN 2002-2003 AND 2003-2004 FOR CORPORATIONS AND OTHER AGENCIES WHOSE PERSONNEL ARE SUBJECT TO THE *PUBLIC SERVICE ACT*[1]

	Upon tabling of the 2002-2003 Expenditure Budget	Variation	Upon tabling of the 2003-2004 Expenditure Budget
	FTEs	FTEs	FTEs
Affaires municipales et Métropole			
— Société d'habitation du Québec	372	-	372
Agriculture, Pêcheries et Alimentation			
— Financière agricole du Québec	630	10	640
Conseil du trésor, Administration et Fonction publique			
— Commission administrative des régimes de retraite et d'assurances	400	35	435
Culture et Communications			
— Régie du cinéma	51	-	51
Éducation			
— Institut de tourisme et d'hôtellerie du Québec	244	-	244
Emploi, Solidarité sociale			
— Régie des rentes du Québec	1,060	47	1,107
Finances, Économie et Recherche			
— Institut de la statistique du Québec	234	3	237
Justice			
— Office des professions du Québec	41	-	41
— Tribunal administratif du Québec	275	-	275
Ressources naturelles			
— Agence de l'efficacité énergétique	27	8	35
Santé et Services sociaux			
— Régie de l'assurance maladie du Québec	1,286	(5)	1,281
Transports			
— Société de l'assurance automobile du Québec	2,759	159	2,918
Travail			
— Commissaire de l'industrie de la construction	11	-	11
— Commission des lésions professionnelles	442	-	442
— Commission des normes du travail	482	-	482
— Commission des relations du travail	-	118	118
— Commission de la santé et de la sécurité du travail[1]	3,938	-	3,938
TOTAL	12,252	375	12,627

[1] The staff level envelope forecast for the CSST in 2003-2004 reflects the staff level utilized in 2002-2003.

CHAPTER 5

THE 2003-2004 CAPITAL INVESTMENT FORECAST

CAPITAL INVESTMENTS IN BRIEF

- The 2003-2004 capital investment forecast, including the partners' share, amounts to $6,736.9 million, broken down as follows:

  — $4,189.6 million in networks, municipalities, cultural institutions and other entities;

  — $1,760.5 million in departments and special funds;

  — $786.7 million in consolidated agencies, excluding special funds.

- The principal government commitments for new 2003-2004 capital investment initiatives include in particular:

  — *Vers le plein emploi* full employment strategy: investment projects of $300.0 million in the education and research infrastructure sectors;

  — Education sector: additional investment project totalling nearly $435.0 million;

  — Health and social services sector: $752.0 million in new investment projects under the Plan de la santé et des services and the Plan national sur les urgences;

  — Cultural facilities and heritage sector: a total of $190.0 million in new investment projects;

  — Housing sector: $300.0 million in new investment projects.

1. PRINCIPAL COMMITMENTS FOR NEW 2003-2004 INITIATIVES

- The Government has planned for implementation of new capital investment initiatives in 2003-2004. The principal commitments are:

***VERS LE PLEIN EMPLOI* FULL EMPLOYMENT STRATEGY**

— The *Vers le plein emploi* full employment strategy announced in November 2002 forecasts total investments of $250 million in the education sector and $50 million in the research infrastructure sector.

HEALTH AND SOCIAL SERVICES

— The new capital investment initiatives in the health and social services sector represent a total of around $752.0 million. They are particularly intended to reduce emergency room waiting times and improve access to specialized and long-term care services.

EDUCATION

— In the education sector, additional commitments of $434.8 million are forecast, particularly for the upgrading of the biomedical sector of the four medical faculties.

CULTURAL FACILITIES AND HERITAGE

— Commitments of $190.0 million are forecast for cultural facilities and heritage, particularly for Place des Arts, the Grand Théatre de Québec, the city contract between the Ministère de la Culture et des Communications and the Ville de Montréal and the purchase of digital equipment by Télé-Québec.

HOUSING

— Commitments of around $300.0 million are forecast in the housing sector, particularly to allow construction and renovation of housing and develop new social housing.

ROAD SYSTEM

— Under the Plan de réhabilitation et de reconstruction du réseau routier, the capital investment envelope allocated in 2003-2004 is increased by $200.0 million to $1,129.0 million in 2003-2004.

Table 5.1: PRINCIPAL COMMITMENTS FOR NEW CAPITAL INVESTMENT INITIATIVES IN 2003-2004

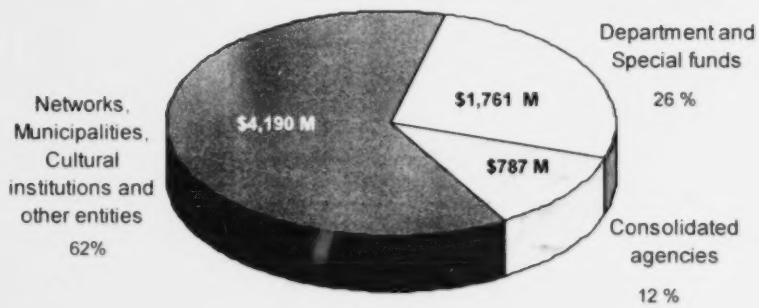
	Commitments for new initiatives $M
Education	684.8
Health and social services	752.0
Housing	300.0
Cultural facilities and heritage	190.0
Road system[1]	200.0
Research infrastructures	70.0
Total for main government commitments	**2,196.8**
Forecast disbursements in 2003-2004	937.2

[1] $200.0 million is added for the purpose of continuing the Plan de réhabilitation et de reconstruction du réseau routier.

2. TOTAL CAPITAL INVESTMENT FORECAST IN 2003-2004

- In 2003-2004, the total capital investment forecast, including the Government's share and the partner's share, amounts to $6,736.9 million.
  - — The investment forecast for the health and social services network and the education networks, municipalities, cultural facilities, the education-oriented child care sector and the research sector add up to $4,189.6 million, or 62.2% of the total;
  - — The investment forecast for departments and special funds accounts for 26.1% of the total, with $1,760.5 million, while the investment forecast for consolidated agencies represents 11.7% of the total, with $786.7 million.
- The nature of these capital investments is presented in more detail in Appendix 5.1.

Graph 5.1: **BREAKDOWN OF THE 2003-2004 CAPITAL INVESTMENT FORECAST: $6,737 MILLION[1]**



[1] The amounts indicated include the Government's share and the partners' share.

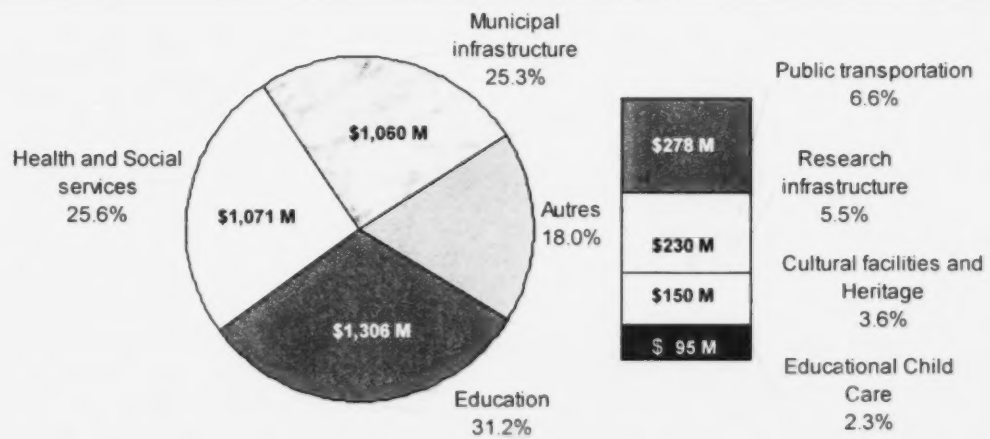
3. CAPITAL INVESTMENTS IN NETWORKS, MUNICIPALITIES, CULTURAL INSTITUTIONS AND OTHER ENTITIES

- Each year, the departments administering a capital investment program prepare triennial capital investment plans, which are then approved by the Conseil du trésor. These plans indicate the cost of completion of the previously authorized projects, asset maintenance needs and the cost of new initiatives.

- The capital investment forecast for networks, municipalities, cultural institutions and other entities not included in the government reporting entity amount to $4,189.6 million in 2003-2004. The partners' contribution forecast in 2003-2004 is $1,314.3 million.

- These investments are financed by long-term borrowing contracted by the subsidized agencies. The Government's contribution takes the form of a total or partial assumption of the debt service, spread over a term of up to 25 years.

Graph 5.2: **2003-2004 CAPITAL INVESTMENT FORECAST IN NETWORKS, MUNICIPALITIES AND OTHER INSTITUTIONS: $4,190 MILLION[1]**



[1] The amounts indicated include the Government's share and the partners' share.

EDUCATION

- In 2003-2004, the capital investment forecast stands at $1,305.7 million: $674.7 million in school boards and $631.0 million in CEGEPs and universities, representing $232.9 million in growth in relation to 2002-2003, essentially due to the investment component of the *Vers le plein emploi* full employment strategy.

HEALTH AND SOCIAL SERVICES

- In 2003-2004, the capital investment forecast for this sector stands at $1,071.2 million, compared to $793.9 million in 2002-2003, for an increase of $277.3 million. This increase is mainly explained by investments intended to reduce emergency room waiting times and improve access to specialized and long-term care services.

MUNICIPAL INFRASTRUCTURE

- In 2003-2004, the capital investment forecast stands at $1,060.1 million, an increase of $533.6 million in relation to the $526.5 million in capital investments in 2002-2003. The increase is particularly due to the Canada-Québec and Québec-Municipalities Infrastructure Programs, in which substantial investments were authorized for the 2003-2004 fiscal year under the Public-Sector Investment Acceleration Plan in 2002-2003.

PUBLIC TRANSPORTATION

- For 2003-2004, the capital investment forecast in this sector corresponds to $278.5 million, compared to $71.0 million in 2002-2003, for an increase of $207.4 million, mostly explained by the *Plan de gestion des déplacements de la région métropolitaine de Montréal*.

RESEARCH INFRASTRUCTURE

- In 2003-2004, this forecast stands at $229.9 million, for $124.5 million in growth mainly due to the *Vers le plein emploi* full employment strategy and the Support for Infrastructure Program granted in 2001-2002, spread over five years.

CULTURAL FACILITIES AND HERITAGE

- The capital investment forecast in 2003-2004 amounts to $149.7 million compared to $154.2 million in 2002-2003. It should be noted that this forecast excludes the capital investments of government corporations reporting to the Minister of Culture and Communications, which are considered in the section on consolidated agencies.

EDUCATIONAL CHILD CARE

- In 2003-2004, Government is continuing its program for development of new places in educational child care and will make capital investments of $94.5 million in this sector.

Table 5.2: 2003-2004 CAPITAL INVESTMENT FORECAST FOR NETWORKS, MUNICIPALITIES AND OTHER INSTITUTIONS [1]

	Forecast disbursements 2003-2004 $M	Probable disbursements 2002-2003 $M	Variation $M
EDUCATION			
School boards	674.7	583.6	91.1
CEGEPs and universities	631.0	489.3	141.7
	1,305.7	1,072.8	232.9
HEALTH AND SOCIAL SERVICES	1,071.2	793.9	277.3
OTHER SECTORS			
Municipal infrastructure	1,060.1	526.5	533.6
Public transportation [2]	278.5	71.0	207.4
Cultural facilities and heritage [3]	149.7	154.2	(4.5)
Research infrastructure	229.9	105.4	124.5
Educational child care	94.5	90.9	3.6
	1,812.7	948.1	864.7
TOTAL	**4,189.6**	**2,723.9**	**1,465.7**
Government's share	2,875.4	2,123.8	751.5

[1] The amounts indicated include the Government's share and the partners' share.

[2] The amounts shown exclude public transportation projects under the responsibility of the Agence métropolitaine de transport shown in the section on consolidated agencies.

[3] The amounts shown exclude projects of government corporations in the culture sector shown in the section on consolidated agencies.

4. CAPITAL INVESTMENTS IN DEPARTMENTS AND SPECIAL FUNDS

- The capital investment forecast for departments and special funds represents a total of $1,760.5 million in 2003-2004 compared to $1,842.2 million in 2002-2003.

- The capital investments of the Road Network Preservation and Improvement Fund are channeled into preserving pavements and structures and also improving and developing the road system. The decrease in 2003-2004 is explained both by the reduction from $400.0 million to $200.0 million of investments relative to the Plan de réhabilitation et de reconstruction du réseau routier and by the end of the Plan des régions.

- Capital investments in the Information Technology Funds are up $21.5 million in relation to 2002-2003, particularly due to the Information Technology Fund of the Ministère du Revenu, which sees a $14.5 million increase in its capital investment in 2003-2004.

- Capital investments by departments amount to $336.4 million in 2003-2004 compared to $247.6 million in 2002-2003. This $88.8 million increase is particularly due to information technology development projects of the Ministère de la Justice, the Ministère de la Sécurité publique and the Ministère des Transports.

Table 5.3: CAPITAL INVESTMENTS IN DEPARTMENTS AND SPECIAL FUNDS

	Forecast disbursements 2003-2004 $M	Probable disbursements 2002-2003 $M	Variation $M
Road Network Preservation and Improvement Fund [1]	1,013.1	1,277.3	(264.2)
Information Technology Funds	125.7	104.2	21.5
Other Special Funds	285.3	213.1	72.2
	1,424.1	1,594.6	(170.5)
Departments: appropriations for capital investments	336.4	247.6	88.8
TOTAL	**1,760.5**	**1,842.2**	**(81.7)**

[1] The total amount of capital investments of the Road Network Preservation and Improvement Fund for 2003-2004 is $1,129 million, including non-capitalizable expenditures of $115.9 million.

5. CAPITAL INVESTMENTS OF CONSOLIDATED AGENCIES OTHER THAN SPECIAL FUNDS

- The capital investment forecast of the consolidated agencies, excluding special funds, amounts to $786.7 million in 2003-2004, compared to $681.3 million in 2002-2003, for an increase of $105.4 million. The agencies making the biggest capital investments in 2003-2004 are the Agence métropolitaine de transport (AMT) with $261.2 million, Société immobilière du Québec (SIQ) with $252.5 million, and government corporations in the culture sector, with $120.7 million.

- The AMT plans, coordinates, integrates and promotes public transportation services and intervenes to improve the efficiency of roads that span the greater Montréal area. The $142.4 million increase in the AMT capital investment forecast is mainly due to the Métro extension to Laval. In addition, the AMT contributes to the *Plan de gestion des déplacements de la région métropolitaine de Montréal.*

- The SIQ's mission is to accommodate Québec government departments and agencies. It manages the government real estate inventory. In 2003-2004, this agency's capital investment forecast stands at $252.2 million, compared to $236.1 million in 2002-2003.

- The capital investment forecast for government corporations in the culture sector increases by $91.8 million in 2003-2004, mainly due to the Grande bibliothèque du Québec construction project and the city contract made with the city of Montréal.

- The reduction for other agencies is also explained by completion of the Société du Palais des congrès de Montréal expansion project, where capital investments related to the Palais des congrès are reduced by $236.1 million in 2003-2004.

Table 5.4: **CAPITAL INVESTMENTS IN CONSOLIDATED AGENCIES OTHER THAN SPECIAL FUNDS**

	Forecast disbursements 2003-2004 $M	Probable disbursements 2002-2003 $M	Variation $M
Agence métropolitaine de transport	261.2	118.7	142.4
Société immobilière du Québec	252.5	236.1	16.4
Government corporations in the culture sector	120.7	28.9	91.8
Other agencies	152.4	297.6	(145.2)
TOTAL	**786.7**	**681.3**	**105.4**

APPENDIX 5.1

NATURE OF CAPITAL INVESTMENTS CONSIDERED IN THIS CHAPTER

- The public capital investments presented in this chapter is categorized under three headings:

  — Capital investments by entities not included in the government reporting entity but which depend on government financial assistance: the health and social services network, the education networks, municipalities, non-governmental institutions generally of a cultural nature, such as libraries, museums and concert halls, or regarding preservation of the religious heritage of dioceses, parish councils or religious communities, the development of education-oriented child care services, and finally, the research sector.

  - Capital investments made by school boards, CEGEPs and universities mainly concern the expansion, renovation, rehabilitation and construction of schools or teaching facilities and the acquisition of furniture, equipment and apparatus required for the operation of the buildings.

  - Capital investments made in the health and social services network for the construction, expansion, renovation and rehabilitation of hospitals, long-term care hospitals, rehabilitation centres and CLSCs, acquisition of furniture and medical and non-medical equipment, and development and purchasing of computer systems.

  - Capital investments concerning municipal infrastructure, mainly with regard to construction, rehabilitation or expansion of infrastructures, urban renewal of neighbourhoods and beautification of village cores. Also included are construction of sewage treatment plants and sewage interceptors and rehabilitation of sewer systems leading to sewage treatment plants, as well as aqueduct and sewer projects. These capital investments include the *Les eaux vives du Québec* program, for the purpose of enabling municipalities to install, replace or improve drinking water and sewage infrastructure.

- Capital investments in public transportation correspond to the purchase of city buses, work related to maintenance of Métro infrastructure, including rehabilitation of stations and replacement of escalators, projects to finance certain electronic fare collection equipment and the development of reserved bus lanes and incentive parking.

- Capital investment projects subsidized by debt service by the Ministère de la Culture et des Communications particularly include construction, expansion and renovation projects for public libraries, concert halls, archive centres, museums and performing arts centres and religious heritage rehabilitation and preservation projects.

- Capital investments in research infrastructure concerns infrastructure development in the fields of research, science, technology and innovation. These capital investments are particularly made in the health and postsecondary education sectors and in research centres.

- Capital investments for educational child care, for the purpose of developing and promoting access to quality education-oriented child care services.

— Capital investments by government departments and the special funds they administer, a substantial portion of which concerns the road system.

— Capital investments by government agencies not appearing in Volume II of the 2003-2004 Expenditure Budget but whose financial statements are consolidated with those of the government. It should be noted that the capital investments of consolidate agencies encompass government corporations in the culture sector and the Agence métropolitaine de transport.

❑ Capital investments of government corporations are excluded from these three groups and are not discussed in this chapter.

APPENDIX 5.2

CHANGES IN CAPITAL INVESTMENTS

	Actual disbursements 1999-2000 $M	Actual disbursements 2000-2001 $M	Actual disbursements 2001-2002 $M	Probable disbursements 2002-2003 $M	Forecast disbursements 2003-2004 $M
Networks, municipalities, cultural institutions and other entities	1,565.4	1,670.7	1,883.9	2,814.8	4,189.6
Departments and special funds	775.7	843.5	1,234.7	1,842.2	1,760.5
Consolidated agencies	273.9	384.2	264.7	681.3	786.7
TOTAL	**2,615.0**	**2,898.4**	**3,383.3**	**5,338.4**	**6,736.9**

CHAPTER 6

CONSOLIDATED GOVERNMENT EXPENDITURES AND RESULTS OF AGENCIES AND SPECIAL FUNDS

CONSOLIDATED EXPENDITURES IN BRIEF

- Total government expenditures for the 2003-2004 fiscal year amount to $53,561.0 million.

- The consolidation of agencies and special funds add $2,280.0 million to these expenditures.

- Consolidated government expenditures thus amount to $55,841.0 million in 2003-2004.

- The results of agencies and special funds, once the consolidation adjustments are considered, impact by $281.0 million the government's financial results for the 2003-2004 fiscal year.

1. CONSOLIDATED GOVERNMENT EXPENDITURES

- Consolidated government expenditures include, in addition to program spending and the debt service, the expenditures incurred by agencies and special funds.
- The expenditures of agencies and special funds that are added to government expenditures are those that remain after the elimination of inter-entity transactions and after harmonization of accounting policies, when applicable.
- Total government expenditures for the 2003-2004 fiscal year are forecast at $53,561.0 million, or $46,593.0 million for program spending and $6,968.0 million for the debt service.
- Consolidation of the results of agencies and special funds has the effect of adding $2,280.0 million to the forecast total government expenditures in 2003-2004.
- Consolidated government expenditures are therefore established at $55,841.0 million for the 2003-2004 fiscal year, compared to $52,820.0 million in 2002-2003.
- Expenditures of agencies and special funds account for 4.1% of consolidated government expenditures.

Table 6.1: CONSOLIDATED GOVERNMENT EXPENDITURES

	2003-2004 $M	2002-2003 $M
Program spending	46,593.0	44,104.0
Debt service	6,968.0	6,633.0
Total expenditures	53,561.0	50,737.0
Consolidation of agencies and special funds	2,280.0	2,083.0
CONSOLIDATED EXPENDITURES	55,841.0	52,820.0

2. RESULTS OF AGENCIES AND SPECIAL FUNDS IN 2003-2004

- The revenues and expenditures of agencies and special funds in 2003-2004 respectively amount to $15,737.5 million and $15,727.7 million for a forecast net result of $9.8 million. The surplus was $47.1 million in 2002-2003.

- The special funds together are registering a $30.4 million surplus in 2003-2004, while a deficit of $1.0 million was forecast in 2002-2003. The difference is largely due to the Labour Market Development Fund, which went from an $18.0 million deficit to an $8.4 million surplus. This situation is essentially due to the use of the Fund's accumulated surpluses in 2002-2003.

- The agencies register an overall deficit of $20.6 million for 2003-2004 compared to a surplus of $48.1 million in 2002-2003. The difference is mainly due to three agencies that recorded surpluses in 2002-2003 and that instead forecast deficits in 2003-2004, namely the Commission des normes du travail, Financière agricole du Québec and the Société immobilière du Québec.

- After consolidation, the agencies and special funds add $281.0 million overall to the government results in 2003-2004, compared to $377.0 million for 2002-2003.

- Appendix 6.3 presents the forecast results for 2002-2003 and 2003-2004 for each of the consolidated agencies and special funds.

Table 6.2: IMPACT OF CONSOLIDATION OF THE SPECIAL FUNDS AND AGENCIES ON THE GOVERNMENT RESULTS

	2003-2004			2002-2003
	Revenues $M	Expenditures $M	Result $M	Result $M
Special funds	5,939.7	5,909.3	30.4	(1.0)
Agencies	9,797.9	9,818.5	(20.6)	48.1
Total before consolidation	15,737.5	15,727.7	9.8	47.1
Consolidation adjustments[1]	(13,176.5)	(13,447.7)	271.2	329.9
IMPACT OF CONSOLIDATION	2,561.0	2,280.0	281.0	377.0

[1] There are two types of adjustments. The first consists of eliminating the transactions concluded by these entities among themselves or with departments or budget-funded agencies. This adjustment is necessary to avoid duplicate accounting of expenditures. The second type of adjustment results from the harmonization of the accounting policies of the agencies and special funds with those of the Government.

APPENDIX 6.1

THE GOVERNMENT REPORTING ENTITY

- The purpose of consolidation is to group all financial transactions and resources for which the government is responsible. This provides a comprehensive picture of government finances.

- Since the accounting reform, the government reporting entity encompasses not only the departments and agencies headed by a Minister with budgets funded by appropriations voted by the National Assembly, but all of the agencies, special funds or corporations that are owned or controlled by the government.

- Two methods of consolidation are used, depending on the type of entity involved:

  — The full consolidation method consists of adding up the accounts of the departments, agencies and special funds line by line. This incorporates their financial transactions, such as the expenditures and debt of agencies, into the government's financial statements. This method applies to the entities appearing in Appendix 6.3;

  — The modified equity method applies to government corporations. It consists of adding the net results of these corporations (surplus or deficit) to the government's revenue. This method applies to the entities appearing in Appendix 6.4.

FULL CONSOLIDATION METHOD

- Two groups must be distinguished among the entities consolidated line by line: agencies and special funds.

  — The government has created different types of agencies to implement its policies and to provide certain services to the public. While varying in size and status, these agencies, like boards, commissions and corporations, are all more autonomous than departments. The legislation delegates more extensive financial and operating powers to their management. These agencies have more latitude to establish their systems and practices. They can also resort to sources of financing outside the government. However, they come under the authority of a Minister, to whom they must account for all of their financial management;

— Special funds are financial management tools that make it possible, in some situations, to administer the allocated resources by using management methods different from those of the departments. Some funds produce and supply goods or services and derive all or part of their financing from the sale of such goods and services.

- Agencies and special funds depend on departments for their funding. This is why budgeting and management of the departmental budget envelopes consider the agencies, the special funds and the department of the same portfolio, all at the same time. More specifically, the departmental budget envelopes are composed of:

  — The expenditure envelope prescribed in Volume II of the Expenditure Budget regarding the Estimates of the Departments and Agencies;

  — The net result of the agencies and special fund, namely the difference between their revenue and expenditure.

- It is up to each Minister to ensure that the consolidated agencies under his or her responsibility do not have a negative impact on the government's financial results.

EQUITY METHOD

- Consolidation of the results of government corporations is considered only in the documents accompanying the Budget Speech because the results of government corporations are considered in the government's balanced budget.

- It is important to note that health and social service establishments, educational institutions and property held by agencies performing fiduciary activities (Appendix 6.5) are not included in the government reporting entity.

APPENDIX 6.2

CHANGES IN THE LISTS OF CONSOLIDATED AGENCIES AND SPECIAL FUNDS

- An agency, the Commission des relations du travail, was added to the "Travail" portfolio and its expenditures are consolidated with those of the government.

- Some agencies and funds have changed names and seen their mandate amended.

  — In the "Culture et Communications" portfolio, the Musée national des beaux-arts replaces the Musée du Québec;

  — In the "Emploi, Solidarité sociale" portfolio, the Fonds québécois d'initiative sociale replaces the Fund to Combat Poverty Through Reintegration into the Labour Market, which will cease operations on March 31, 2003.

- The Société québécoise d'assainissement des eaux, previously attached to the "Industrie et Commerce" portfolio, is now moved to the "Affaires municipales et Métropole" portfolio.

- The agencies and special funds previously attached to the "Finances", "Industrie et Commerce" and "Recherche, Science et Technologie" portfolios have been incorporated into the new "Finances, Économie et Recherche" portfolio.

APPENDIX 6.3

RESULTS OF AGENCIES AND SPECIAL FUNDS

	2003-2004			2002-2003
	Revenues	Expenditures	Result	Result
	$M	$M	$M	$M
Affaires municipales et Métropole				
Régie des installations olympiques**	36,6	42,5	(5,9)	0,9
Société d'habitation du Québec	618,3	618,3	-	-
Société du Palais des congrès de Montréal	53,2	61,5	(8,3)	-
Société québécoise d'assainissement des eaux	203,5	203,5	-	(0,9)
	911,6	925,8	(14,2)	-
Agriculture, Pêcheries et Alimentation				
Bureau d'accréditation des pêcheurs et des aides-pêcheurs du Québec	0,2	0,2	-	-
Financière agricole du Québec	410,9	412,8	(1,9)	19,0
Fonds d'assurance-prêts agricoles et forestiers*	19,9	12,1	7,8	9,4
	431,1	425,1	6,0	28,4
Conseil du trésor, Administration et Fonction publique				
Disaster Assistance Fund for Certain Areas	8,0	8,0	-	-
Fonds des services gouvernementaux	280,6	269,3	11,3	9,1
Fund relating to the Ice Storm	58,4	58,4	-	-
Information Technology Fund of the Conseil du trésor	2,5	2,5	-	-
Société immobilière du Québec	575,7	575,7	-	17,1
	925,1	913,8	11,3	26,2
Conseil exécutif				
Commission de la capitale nationale du Québec	19,8	19,8	-	-
Fonds Jeunesse Québec	14,9	14,9	-	13,9
	34,7	34,7	-	13,9
Culture et Communications				
Bibliothèque nationale du Québec	22,1	23,0	(0,9)	(0,4)
Commission de la reconnaissance des associations d'artistes et des associations de producteurs	0,5	0,5	-	-
Conseil des arts et des lettres du Québec	80,6	80,6	-	(0,7)
Musée d'art contemporain de Montréal	9,6	9,6	-	-
Musée de la civilisation	26,9	27,3	(0,4)	(0,1)
Musée national des beaux-arts	15,9	16,7	(0,8)	0,2
Régie du cinéma	9,2	5,3	3,9	7,8
Société de développement des entreprises culturelles	50,7	50,7	-	(0,1)
Société de la Place des Arts de Montréal	28,6	28,8	(0,3)	(0,3)
Société de télédiffusion du Québec	81,7	81,7	-	(2,9)
Société du Grand Théâtre de Québec	7,3	7,3	-	-
	333,1	331,5	1,6	3,6
Éducation				
Institut de tourisme et d'hôtellerie du Québec	22,3	22,3	-	0,2
	22,3	22,3	-	0,2

APPENDIX 6.3

RESULTS OF AGENCIES AND SPECIAL FUNDS

	2003-2004			2002-2003
	Revenues	Expenditures	Result	Result
	$M	$M	$M	$M
Emploi, Solidarité sociale				
Assistance Fund for Independent Community Action	41,0	48,6	(7,5)	8,7
Fonds québécois d'initiatives sociales	45,7	45,7	-	-
Found to Combat Poverty Through Reintegration into the Labour Market	-	-	-	(68,8)
Information Technology Fund of the ministère de la Solidarité sociale	45,2	45,2	-	-
Labour Market Development Fund	961,8	953,5	8,4	(18,0)
Office de la sécurité du revenu des chasseurs et piégeurs cris	20,3	20,3	-	-
	1 114,0	1 113,2	0,8	(78,2)
Environnement				
Société québécoise de récupération et de recyclage	30,4	31,6	(1,2)	2,5
	30,4	31,6	(1,2)	2,5
Faune et Parcs				
Fondation de la faune du Québec	4,0	4,1	(0,1)	(0,1)
	4,0	4,1	(0,1)	(0,1)
Finances, Économie et Recherche				
Bureau des services financiers	10,5	10,6	(0,1)	0,2
Centre de recherche industrielle du Québec	36,0	36,0	-	(6,0)
Commission des valeurs mobilières du Québec	29,0	38,1	(9,1)	4,8
Financing Fund	351,3	335,3	16,0	26,8
Fonds de la recherche en santé du Québec*	87,8	87,8	-	-
Fonds du Centre financier international de Montréal	1,9	2,0	(0,1)	0,1
Fonds québécois de la recherche sur la nature et les technologies*	44,4	44,8	(0,4)	(1,0)
Fonds québécois de la recherche sur la société et la culture*	49,6	49,6	-	(0,7)
Horse-Racing Industry Fund	14,9	14,9	-	-
Institut de la statistique du Québec	23,1	22,9	0,2	0,7
Investissement Québec	419,9	409,4	10,5	7,8
Sidbec	0,3	0,3	-	-
Société de développement de la Zone de commerce international de Montréal à Mirabel	4,5	4,9	(0,5)	(1,4)
Société du parc industriel et portuaire de Bécancour	5,0	5,7	(0,7)	(0,9)
Special Olympic Fund	86,5	86,5	-	-
	1 164,8	1 148,9	15,9	30,4
Justice				
Commission des services juridiques	116,1	116,1	-	(9,5)
Fonds d'aide aux recours collectifs*	1,2	1,5	(0,2)	(0,2)
Fonds d'aide aux victimes d'actes criminels	4,8	5,9	(1,1)	0,6
Office des professions du Québec	6,5	6,0	0,5	(0,3)
Register Fund	28,7	27,5	1,2	2,7
Société québécoise d'information juridique	11,0	10,9	0,1	0,8
Tribunal administratif du Québec	28,0	28,0	-	(0,3)
	196,4	195,9	0,5	(6,2)

APPENDIX 6.3

RESULTS OF AGENCIES AND SPECIAL FUNDS

	2003-2004			2002-2003
	Revenues	Expenditures	Result	Result
	$M	$M	$M	$M
Régions				
Regional Development Fund	42,0	42,0	-	-
	42,0	42,0	-	-
Relations avec les citoyens et Immigration				
Civil Status Fund	16,5	16,4	0,1	3,0
Government Information Fund	53,2	54,2	(1,0)	(0,5)
	69,7	70,5	(0,8)	2,5
Relations internationales				
Fund for the Management of Québec Immovables on Foreign Soil	12,4	12,4	-	-
Office Québec-Amériques pour la jeunesse	2,4	2,4	-	(0,2)
	14,7	14,8	-	(0,2)
Ressources naturelles				
Agence de l'efficacité énergétique	7,2	7,8	(0,7)	(0,3)
Fonds forestier	251,6	253,4	(1,9)	(4,2)
Geographic Information Fund	2,5	2,7	(0,1)	-
Land Information Fund	89,7	81,5	8,2	23,9
Régie de l'énergie	8,6	9,0	(0,4)	0,4
Société nationale de l'amiante	0,2	0,5	(0,3)	(0,1)
	359,7	354,9	4,8	19,8
Revenu				
Fonds des pensions alimentaires***	46,2	46,2	-	-
Information Technology Fund of the ministère du Revenu	40,5	40,5	-	-
Tax Collection Fund	73,3	75,6	(2,2)	0,8
	160,1	162,3	(2,2)	0,8
Santé et Services sociaux				
Corporation d'urgences-santé de la région de Montréal métropolitain	80,1	80,1	-	(2,3)
Héma-Québec	288,4	288,4	-	3,9
Institut national de santé publique du Québec	24,1	24,1	-	-
Prescription Drug Insurance Fund	2 205,7	2 205,7	-	-
Régie de l'assurance maladie du Québec	5 732,9	5 732,9	-	-
	8 331,2	8 331,2	-	1,6
Sécurité publique				
École nationale de police du Québec	17,3	17,4	(0,2)	-
École nationale des pompiers du Québec	1,2	1,2	-	(0,2)
Police Services Fund	373,1	373,1	-	-
	391,5	391,7	(0,2)	(0,2)

APPENDIX 6.3

RESULTS OF AGENCIES AND SPECIAL FUNDS

	2003-2004			2002-2003
	Revenues	Expenditures	Result	Result
	$M	$M	$M	$M
Tourisme, Loisir et Sport				
Société du Centre des congrès de Québec	19,3	19,1	0,3	(0,9)
Tourism Partnership Fund	101,1	102,0	(1,0)	1,0
	120,4	121,1	(0,7)	0,1
Transports				
Agence métropolitaine de transport**	214,1	214,1	-	-
Fund for the Contribution of Motorists to Public Transit	63,8	63,8	-	-
Fund for the Sale of Goods and Services of the MTQ	4,6	4,6	-	(0,1)
Road Network Preservation and Improvement Fund	550,1	550,1	-	-
Rolling Stock Management Fund	67,3	67,3	-	-
Société des traversiers du Québec	62,7	63,3	(0,6)	(1,7)
	962,6	963,2	(0,6)	(1,8)
Travail				
Commissaire de l'industrie de la construction	1,2	1,3	-	(0,2)
Commission des lésions professionnelles	51,6	52,0	(0,4)	(3,0)
Commission des normes du travail	51,5	62,1	(10,6)	6,8
	13,8	13,8	-	-
	118,1	129,1	(11,0)	3,6
Total	15 737,5	15 727,7	9,8	47,1
Consolidation adjustments	(13 176,5)	(13 447,7)	271,2	329,9
Impact of consolidation	2 561,0	2 280,0	281,0	377,0

* This fund should be considered as an agency and not as a special fund.

** Forecast data correspond to the agency's operating fund.

*** This agency also performs fiduciary activities outside of the government reporting entity.

Note 1: Figures are rounded and the sum of the amounts recorded in respect of each agency and special fund may not correspond to the total.

Note 2: The results of government agencies and special funds are raw data, i.e. before consolidation adjustments.

APPENDIX 6.4

GOVERNMENT CORPORATIONS

Corporation d'hébergement du Québec

Financement - Québec

Fonds d'indemnisation du courtage immobilier

Hydro-Québec [1]

Immobilière SHQ

Loto-Québec

Régie de l'assurance-dépôt du Québec

Société de développement de la Baie James (SDBJ)

Société de l'assurance automobile du Québec

Société des alcools du Québec

Société des établissements de plein air du Québec

Société générale de financement du Québec

Société Innovatech du Grand Montréal

Société Innovatech du sud du Québec

Société Innovatech Québec et Chaudière – Appalaches

Société Innovatech Régions ressources

[1] This agency also performs fiduciary activities excluded from the scope of government accounting

APPENDIX 6.5

AGENCIES AND FUNDS PERFORMING FIDUCIARY ACTIVITIES

Caisse de dépôt et placement du Québec

Centraide Committee – Public Sector

Commission administrative des régimes de retraite et d'assurances

Commission de la construction du Québec

Commission de la santé et de la sécurité du travail

Public Curator (budget-funded body performing fiduciary activities)

Fonds d'assurance-garantie administered by the Régie des marchés agricoles et alimentaires du Québec

Fonds central pour le bénéfice des personnes incarcérées

Crop Insurance Fund

Farm Income Stabilization Insurance Fund

Fonds de contrat à terme

Fonds des cautionnements des agents de voyages

Fonds des pensions alimentaires (fiduciary portion)

Fonds d'indemnisation des services financiers

Fonds du régime tripartite d'assurance revenu brut à l'égard des récoltes

Trust funds

Fonds national de la formation de la main-d'oeuvre

Hydro-Québec – Pension Fund

Régie des rentes du Québec

APPENDIX A
DEFINED-PURPOSE ACCOUNTS

DEFINED-PURPOSE ACCOUNTS

- Defined-purpose accounts concern amounts received from third parties such as the federal government, private companies and entities other than government departments and budget-funded agencies. A contract or agreement stipulates that their payment is subject to their allocation to a specific purpose. In such cases, a defined-purpose account may be constituted by the Government in accordance with section 7 of the *Financial Administration Act* (R.S.Q., c. A-6.001).

- Financial transactions that pass through a defined-purpose account are governed by all of the regulations, policies and directives applicable to transactions effected from a department's appropriations. Moreover, expenditures and revenue applied to these accounts are submitted to the Auditor General for auditing.

- The forecast payments and other debits recorded in the defined-purpose accounts are presented in the following table to supplement the information on the activities of the departments, even though they are not part of their expenditure budget. For 2003-2004, there are 36 defined-purpose accounts divided among 18 government departments.

DEFINED-PURPOSE ACCOUNTS: PAYMENTS AND OTHER DEPARTEMENTAL DEBITS IN 2003-2004

	($ 000)
Affaires municipales et Métropole	
- 2000-2007 infrastructure program	130 625,9
Agriculture, Pêcheries et Alimentation	
- Financing of agricultural risk management programs	97 815,0
- Financing of certain agriculture and fishing activities	5 500,0
- Training, partnership and organization of special events	3 925,0
Conseil du trésor, Administration et Fonction publique	
- Financial assistance for the disaster of January 5 to 9, 1998 (ice storm)	1 530,0
Culture et Communications	
- Financing autonomous service units - Centre de conservation du Québec	400,0
- Application of the policy of integration of the arts into architecture and the environment of public government buildings and sites	375,0
- Training, partnership and organization of special events	105,0
Éducation	
- Financing of Millennium Scholarships	71 157,0
- Minority-language and second-language teaching	6 948,0
- Literacy program	2 600,0
- Training in federal penitentiaries	600,0
- Training, partnership and organization of special events	200,0
Emploi, Solidarité sociale	
- Financing of pilot projects for elderly workers	4 200,0
Environnement	
- Financing of autonomous service units - Centre d'expertise en analyse environnementale	1 998,0
- Training, partnership and organization of special events	696,1
Famille, Enfance et Condition féminine	
- Training, partnership and organization of special events	34,0
Faune et Parcs	
- Training, partnership and organization of special events	428,9
Finances, Économie et Recherche	
- Training, partnership and organization of special events	750,0

DEFINED-PURPOSE ACCOUNTS: PAYMENTS AND OTHER DEPARTEMENTAL DEBITS IN 2003-2004

	($ 000)
Justice	
· Agreement respecting the Contraventions Act	1 000,0
Relations internationales	
· Training, partnership and organization of special events	400,0
Ressources naturelles	
· Mining sector cooperation project with Bolivia	1 100,0
· Financing the measure for protecting, securing, redeveloping and restoring the Norebec-Maitou mine site	350,0
· Training, partnership and organization of special events	199,0
Revenu	
· Goods and services tax administration	116 518,6
Santé et Services sociaux	
· Financing of services to seniors with reduced mobility	30 000,0
· Financing of the program to assist pathological gamblers	24 870,0
· Training, partnership and organization of special events	6 240,0
Sécurité publique	
· Administration of the Firearms Act	10 500,0
· Training, partnership and organization of special events	3 823,1
· Financing of the program to assist pathological gamblers	3 126,4
· Financing of autonomous service units - Laboratoire de sciences judiciaires et de médecine légale	1 050,0
· Financing of the joint civil defence program	530,0
Transports	
· 2000-2007 infrastructure program	111 000,0
· Improvement of the road network in the Outaouais region of Québec	36,5
Travail	
· Financing of the Bureau d'évaluation médicale	2 510,0
Total	643 141,5

APPENDIX B

2003-2004 EXPENDITURE BUDGET: BREAKDOWN BY MISSION

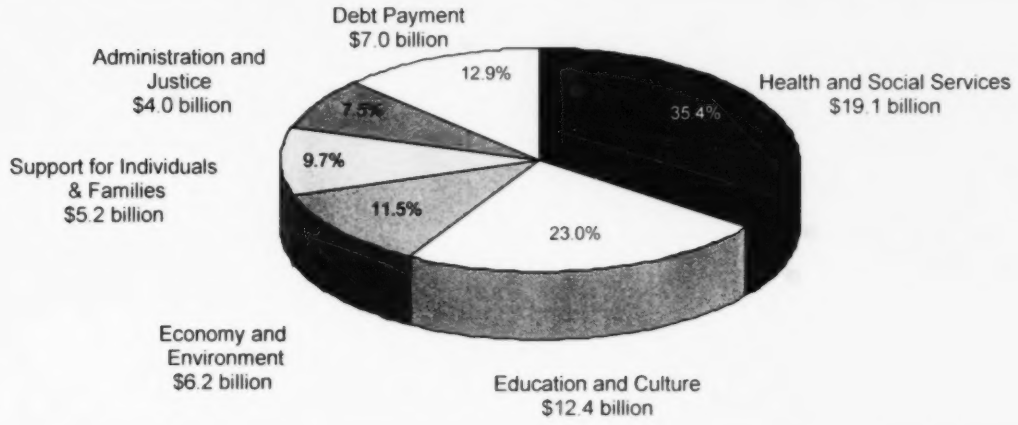
2003-2004 EXPENDITURE BUDGET – BREAKDOWN BY MISSION

- The programs appearing in the 2003-2004 Expenditure Budget are consolidated into six missions corresponding to the main functions of the Government. The missions, in turn, consist of 24 portfolios and 82 programs.

- The structure of the 2003-2004 missions remains the same as in fiscal year 2002-2003.

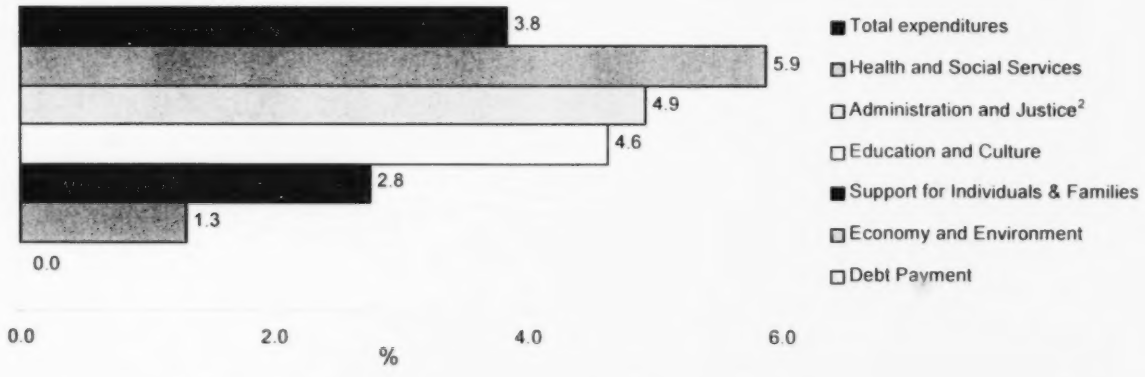
- The data on the missions do not include expenditures relating to special funds nor those of government agencies whose budget is not appropriated by a vote of the National Assembly.

2003-2004 EXPENDITURE BUDGET - BREAKDOWN BY MISSION [1]



[1] Excluding savings to be realized during the course of the year.

AVERAGE ANNUAL GROWTH OF THE EXPENDITURE BUDGET, BY MISSION, FROM 2000-2001 TO 2003-2004 [1]



[1] Excluding savings to be realized during the course of the year.

[2] The Contingency Fund has been removed from the "Administration and Justice" mission to account for the fact that it will be allocated to other missions during the course of the year.

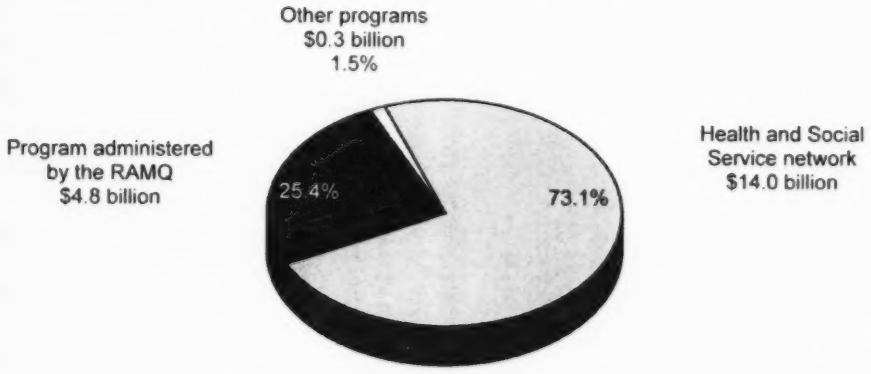
MISSION: HEALTH AND SOCIAL SERVICES

EXPENDITURES BY PORTFOLIO AND PROGRAM

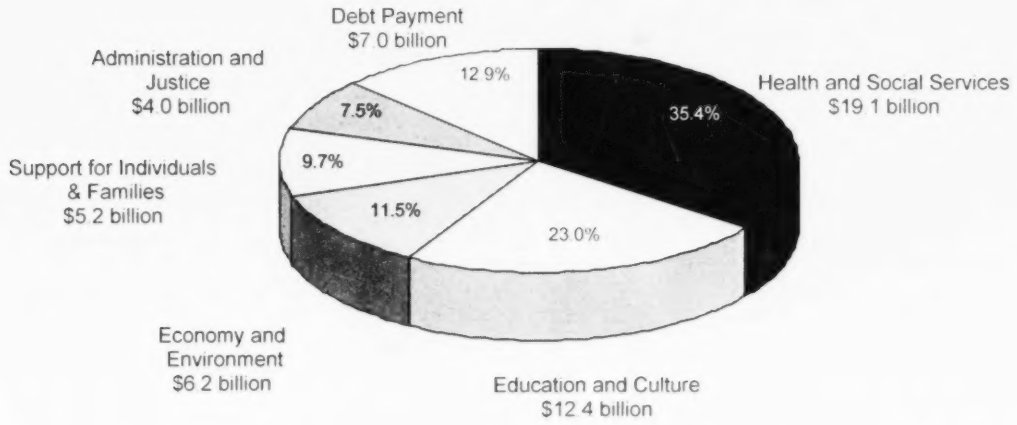
portfolios and programs	Expenditure Budget 2003-2004	Expenditure Budget 2002-2003	Probable Expenditure 2002-2003	Expenditures 2001-2002	Expenditures 2000-2001
Santé et Services sociaux			**($ 000 000)**		
National Operations	**230,2**	223,6	213,3	208,5	212,6
Regional Operations	**13 972,4**	13 004,4	13 026,4	12 636,1	11 895,8
Office des personnes handicapées du Québec	**47,1**	46,0	55,7	58,2	50,9
Régie de l'assurance maladie du Québec	**4 853,3**	4 440,7	4 440,7	4 295,0	3 938,9
Total of this Mission	**19 103,1**	17 714,6	17 736,0	17 197,9	16 098,3

Note: Figures are rounded and the sum of the amounts recorded in respect of each program may not correspond to the total. 2002-2003 expenditures and expenditures from previous years have been adjusted in order to present them on the same basis as the 2003-2004 budget.

HEALTH AND SOCIAL SERVICES MISSION : $19.1 BILLION IN 2003-2004

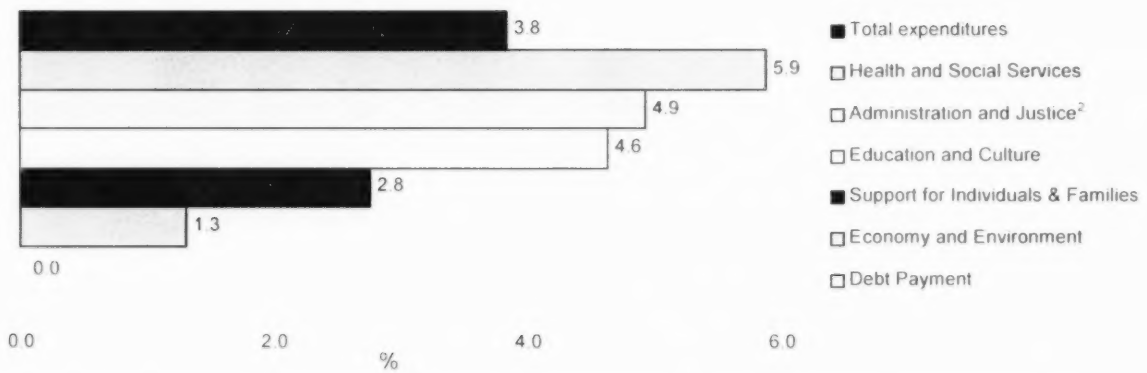


2003-2004 EXPENDITURE BUDGET - BREAKDOWN BY MISSION [1]



[1] Excluding savings to be realized during the course of the year.

AVERAGE ANNUAL GROWTH OF THE EXPENDITURE BUDGET, BY MISSION, FROM 2000-2001 TO 2003-2004 [1]



[1] Excluding savings to be realized during the course of the year.

[2] The Contingency Fund has been removed from the "Administration and Justice" mission to account for the fact that it will be allocated to other missions during the course of the year.

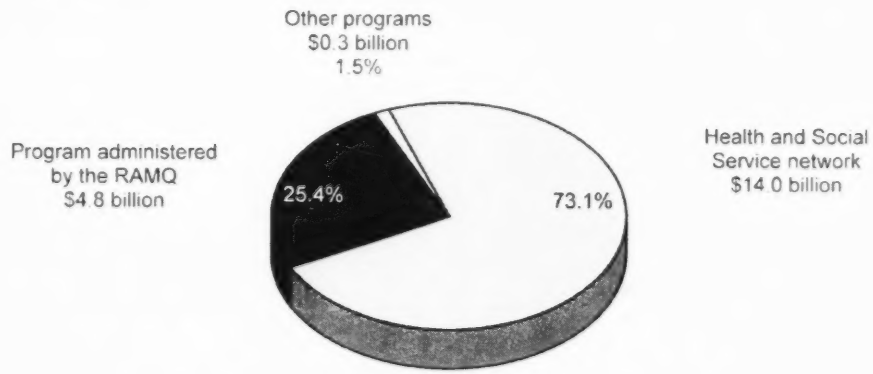
MISSION: HEALTH AND SOCIAL SERVICES

EXPENDITURES BY PORTFOLIO AND PROGRAM

portfolios and programs	Expenditure Budget 2003-2004	Expenditure Budget 2002-2003	Probable Expenditure 2002-2003	Expenditures 2001-2002	Expenditures 2000-2001
Santé et Services sociaux			**($ 000 000)**		
National Operations	**230,2**	223,6	213,3	208,5	212,6
Regional Operations	**13 972,4**	13 004,4	13 026,4	12 636,1	11 895,8
Office des personnes handicapées du Québec	**47,1**	46,0	55,7	58,2	50,9
Régie de l'assurance maladie du Québec	**4 853,3**	4 440,7	4 440,7	4 295,0	3 938,9
Total of this Mission	**19 103,1**	17 714,6	17 736,0	17 197,9	16 098,3

Note: Figures are rounded and the sum of the amounts recorded in respect of each program may not correspond to the total. 2002-2003 expenditures and expenditures from previous years have been adjusted in order to present them on the same basis as the 2003-2004 budget.

HEALTH AND SOCIAL SERVICES MISSION : $19.1 BILLION IN 2003-2004



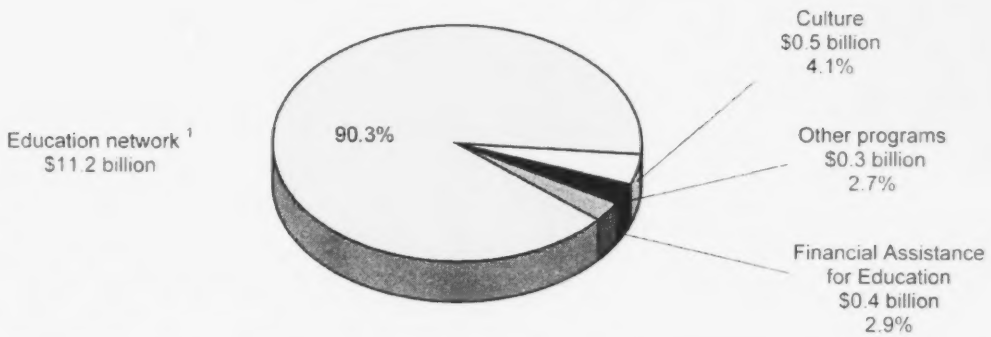
MISSION: EDUCATION AND CULTURE

EXPENDITURES BY PORTFOLIO AND PROGRAM

portfolios and programs	Expenditure Budget 2003-2004	Expenditure Budget 2002-2003	Probable Expenditure 2002-2003	Expenditures 2001-2002	Expenditures 2000-2001
			($ 000 000)		
Culture et Communications					
Internal Management, National Institutions and Commission des biens culturels	**78,1**	76,5	74,7	75,0	71,5
Support for Culture, Communications and Government Corporations	**430,2**	404,0	402,2	392,3	444,9
Charter of the French Language	**23,3**	23,9	24,1	22,9	23,2
Régie du cinéma	**-**	-	-	-	2,5
Éducation					
Administration and Consulting	**123,4**	118,6	116,0	117,1	111,9
Tourism and Hotel Industry Training	**17,1**	17,4	15,4	15,9	17,4
Financial Assistance for Education	**355,0**	355,4	300,2	292,3	300,5
Pre-school, Primary and Secondary Education	**6 996,7**	6 707,8	6 656,6	6 478,8	6 131,3
Higher Education	**3 545,8**	3 370,7	3 314,9	3 078,1	3 049,2
Retirement Plans	**647,5**	625,4	625,4	566,5	519,8
Relations avec les citoyens et Immigration					
Immigration, Integration and Regionalization	**119,6**	119,5	126,1	124,9	98,5
Tourisme, Loisir et Sport					
Development of Recreation and Sport	**72,7**	67,5	67,9	73,1	63,1
Total of this Mission	**12 409,3**	11 886,6	11 723,3	11 236,9	10 833,8

Note: Figures are rounded and the sum of the amounts recorded in respect of each program may not correspond to the total. 2002-2003 expenditures and expenditures from previous years have been adjusted in order to present them on the same basis as the 2003-2004 budget.

EDUCATION AND CULTURE MISSION : $12.4 BILLION IN 2003-2004



1 Including all "Education" portfolio programs except for "Administration and Consulting" and "Financial Assistance for Education"

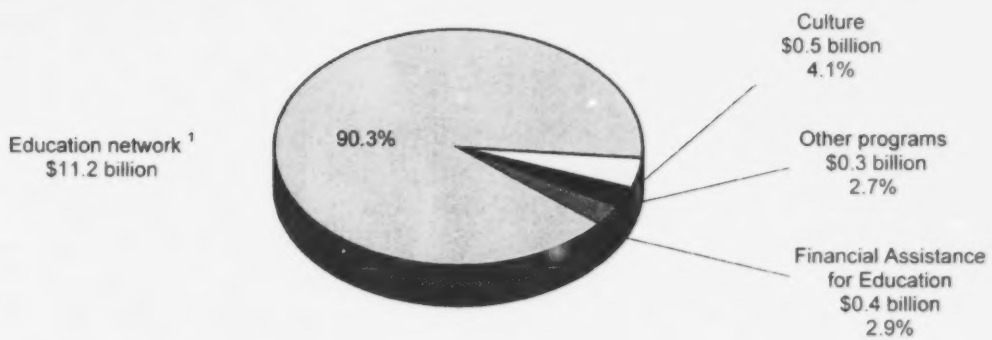
MISSION: EDUCATION AND CULTURE

EXPENDITURES BY PORTFOLIO AND PROGRAM

portfolios and programs	Expenditure Budget 2003-2004	Expenditure Budget 2002-2003	Probable Expenditure 2002-2003	Expenditures 2001-2002	Expenditures 2000-2001
			($ 000 000)		
Culture et Communications					
Internal Management, National Institutions and Commission des biens culturels	**78,1**	76,5	74,7	75,0	71,5
Support for Culture, Communications and Government Corporations	**430,2**	404,0	402,2	392,3	444,9
Charter of the French Language	**23,3**	23,9	24,1	22,9	23,2
Régie du cinéma	-	-	-	-	2,5
Éducation					
Administration and Consulting	**123,4**	118,6	116,0	117,1	111,9
Tourism and Hotel Industry Training	**17,1**	17,4	15,4	15,9	17,4
Financial Assistance for Education	**355,0**	355,4	300,2	292,3	300,5
Pre-school, Primary and Secondary Education	**6 996,7**	6 707,8	6 656,6	6 478,8	6 131,3
Higher Education	**3 545,8**	3 370,7	3 314,9	3 078,1	3 049,2
Retirement Plans	**647,5**	625,4	625,4	566,5	519,8
Relations avec les citoyens et Immigration					
Immigration, Integration and Regionalization	**119,6**	119,5	126,1	124,9	98,5
Tourisme, Loisir et Sport					
Development of Recreation and Sport	**72,7**	67,5	67,9	73,1	63,1
Total of this Mission	**12 409,3**	11 886,6	11 723,3	11 236,9	10 833,8

Note: Figures are rounded and the sum of the amounts recorded in respect of each program may not correspond to the total. 2002-2003 expenditures and expenditures from previous years have been adjusted in order to present them on the same basis as the 2003-2004 budget.

EDUCATION AND CULTURE MISSION : $12.4 BILLION IN 2003-2004



1 Including all "Éducation" portfolio programs except for "Administration and Consulting" and "Financial Assistance for Education".

MISSION: ECONOMY AND ENVIRONMENT

EXPENDITURES BY PORTFOLIO AND PROGRAM

portfolios and programs	Expenditure Budget 2003-2004	Expenditure Budget 2002-2003	Probable Expenditure 2002-2003	Expenditures 2001-2002	Expenditures 2000-2001
			($ 000 000)		
Affaires municipales et Métropole					
Greater Montréal Promotion and Development	**114,6**	116,2	126,3	106,0	156,4
Upgrading Infrastructure and Urban Renewal	**602,9**	608,3	570,5	595,5	395,9
Housing	**300,0**	254,5	254,4	249,2	319,0
Agriculture, Pêcheries et Alimentation					
Bio-food Company Development, Training and Food Quality	**342,1**	326,7	326,4	334,6	340,6
Government Agencies	**317,1**	317,3	317,0	316,7	373,3
Conseil exécutif					
Development of Québec's Capital	**36,1**	39,5	37,5	36,4	50,2
Emploi, Solidarité sociale					
Employment Assistance Measures	**963,1**	962,3	940,1	957,3	976,8
Environnement					
Environmental Protection	**188,0**	176,4	173,1	175,0	153,7
Bureau d'audiences publiques sur l'environnement	**5,1**	4,5	6,1	4,8	4,9
Faune et Parcs					
Société de la faune et des parcs du Québec	**111,2**	109,0	119,8	122,5	147,8
Finances, Économie et Recherche					
Finance	**618,6**	561,8	522,4	382,1	362,6
Industry and Commerce	**115,4**	126,0	169,4	184,7	256,1
Research, Science and Technology	**253,2**	238,8	241,9	223,1	239,3
Régions					
Support Measures for Local and Regional Development	**218,3**	197,4	163,5	137,0	119,8
Relations internationales					
International Affairs	**112,4**	107,5	107,4	111,0	103,9
Ressources naturelles					
Land Inventory and Management	**25,8**	26,5	26,5	28,3	29,2
Inventory and Management of Forest Heritage	**132,4**	131,3	143,8	179,3	193,6
Energy Development	**45,5**	45,3	46,6	45,2	51,8
Mineral Resources Management and Development	**35,7**	35,2	41,8	48,8	47,5
Management and Administrative Support	**38,5**	39,5	39,2	40,3	40,8
Tourisme, Loisir et Sport					
Promotion and Development of Tourism	**60,1**	61,5	90,2	86,4	88,7

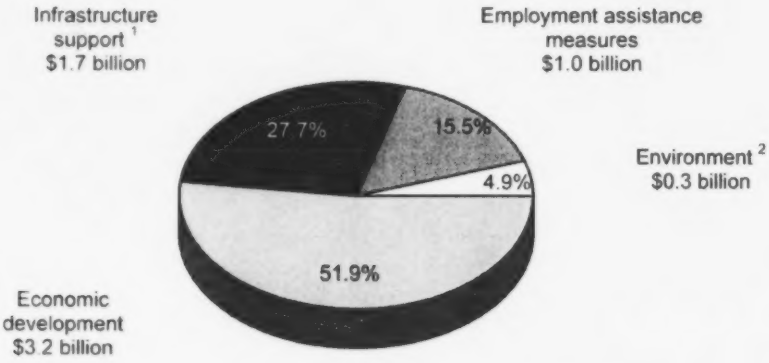
MISSION: ECONOMY AND ENVIRONMENT (CONT'D.)

EXPENDITURES BY PORTFOLIO AND PROGRAM

Transports					
Transportation Infrastructures	**1 110,9**	970,4	1 037,3	971,0	1 106,4
Transportation Systems	**348,7**	298,6	298,7	355,4	320,5
Administration and Corporate Services	**100,3**	95,1	95,8	85,8	79,8
Total of this Mission	**6 196,0**	5 849,6	5 895,7	5 776,4	5 958,5

Note: Figures are rounded and the sum of the amounts recorded in respect of each program may not correspond to the total. 2002-2003 expenditures and expenditures from previous years have been adjusted in order to present them on the same basis as the 2003-2004 budget.

ECONOMY AND ENVIRONMENT MISSION : $6.2 BILLION IN 2003-2004



1 Including "Upgrading Infrastructure and Urban Renewal Housing" and "Transportation Infrastructures" programs.
2 Including "Environment Protection", "Bureau d'audiences publiques sur l'environnement" and "Société de la faune et des parcs du Québec" programs.

MISSION: SUPPORT FOR INDIVIDUALS AND FAMILIES

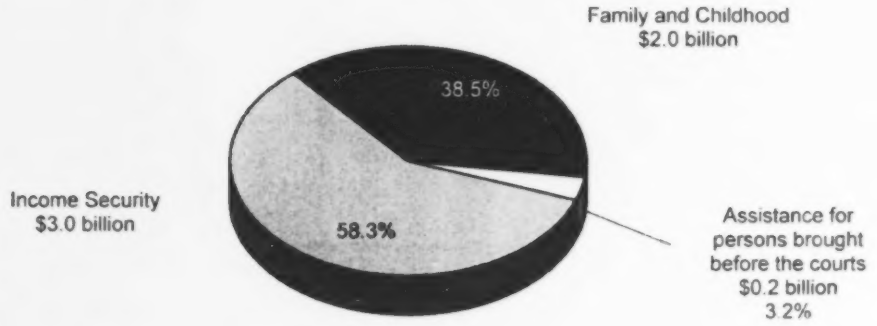
EXPENDITURES BY PORTFOLIO AND PROGRAM

portfolios and programs	Expenditure Budget 2003-2004	Expenditure Budget 2002-2003	Probable Expenditure 2002-2003	Expenditures 2001-2002	Expenditures 2000-2001
			($ 000 000)		
Emploi, Solidarité sociale					
Financial Assistance Measures	**2 840,0**	2 937,2	2 961,6	2 885,6	2 910,4
Management Support	**213,7**	210,7	206,2	224,0	207,8
Famille, Enfance et Condition féminine*					
Planning, Research and Administration	**45,3**	42,4	42,7	39,3	31,7
Family and Child Services	**1 394,7**	1 213,1	1 180,0	1 034,2	829,6
Family Benefits	**576,6**	595,9	588,9	617,9	701,9
Advisory Bodies	**1,6**	1,6	3,7	3,4	1,8
Justice					
Assistance to Persons Brought before the Courts	**170,3**	155,6	171,0	168,2	149,0
Total of this Mission	**5 242,3**	5 156,5	5 154,2	4 972,7	4 832,2

* An adjustment was made in order to present 2002-2003 probable expenditure and expenditures from previous years on the same basis as in 2003-2004. This adjustment led, for 2002-2003, to a $8.9 million increase in expenditure in the "Famille, Enfance et Condition féminine" portfolio given that the family policy is gradually replacing certain measures that were formerly accounted for as deductions from income.

Note: Figures are rounded and the sum of the amounts recorded in respect of each program may not correspond to the total. 2002-2003 expenditures and expenditures from previous years have been adjusted in order to present them on the same basis as the 2003-2004 budget.

SUPPORT FOR INDIVIDUALS AND FAMILIES MISSION : $5.2 BILLION IN 2003-2004



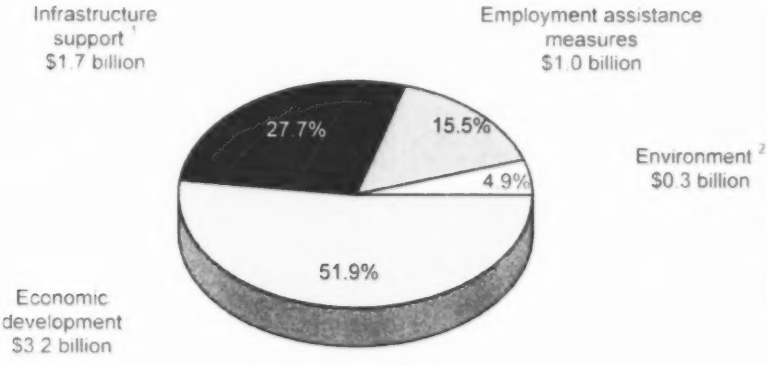
MISSION: ECONOMY AND ENVIRONMENT (CONT'D.)

EXPENDITURES BY PORTFOLIO AND PROGRAM

Transports					
Transportation Infrastructures	**1 110,9**	970,4	1 037,3	971,0	1 106,4
Transportation Systems	**348,7**	298,6	298,7	355,4	320,5
Administration and Corporate Services	**100,3**	95,1	95,8	85,8	79,8
Total of this Mission	**6 196,0**	5 849,6	5 895,7	5 776,4	5 958,5

Note: Figures are rounded and the sum of the amounts recorded in respect of each program may not correspond to the total. 2002-2003 expenditures and expenditures from previous years have been adjusted in order to present them on the same basis as the 2003-2004 budget.

ECONOMY AND ENVIRONMENT MISSION : $6.2 BILLION IN 2003-2004



1 Including "Upgrading Infrastructure and Urban Renewal Housing" and "Transportation Infrastructures" programs.
2 Including "Environment Protection", "Bureau d'audiences publiques sur l'environnement" and "Société de la faune et des parcs du Québec" programs.

MISSION: SUPPORT FOR INDIVIDUALS AND FAMILIES

EXPENDITURES BY PORTFOLIO AND PROGRAM

portfolios and programs	Expenditure Budget 2003-2004	Expenditure Budget 2002-2003	Probable Expenditure 2002-2003	Expenditures 2001-2002	Expenditures 2000-2001
			($ 000 000)		
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Financial Assistance Measures	**2 840.0**	2 937.2	2 961.6	2 885.6	2 910.4
Management Support	**213.7**	210.7	206.2	224.0	207.8
Famille, Enfance et Condition féminine*					
Planning, Research and Administration	**45.3**	42.4	42.7	39.3	31.7
Family and Child Services	**1 394.7**	1 213.1	1 180.0	1 034.2	829.6
Family Benefits	**576.6**	595.9	588.9	617.9	701.9
Advisory Bodies	**1.6**	1.6	3.7	3.4	1.8
Justice					
Assistance to Persons Brought before the Courts	**170.3**	155.6	171.0	168.2	149.0
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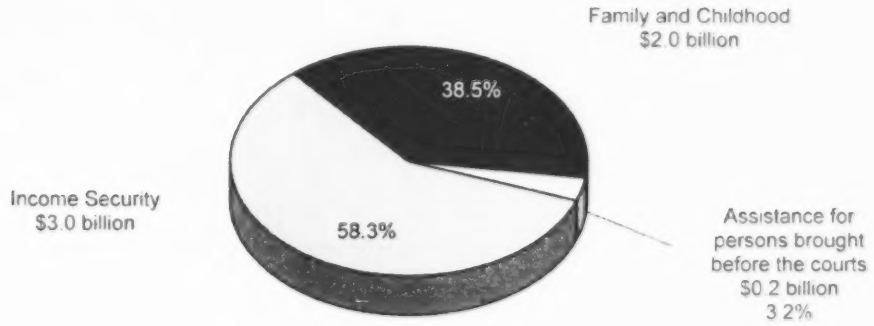
* An adjustment was made in order to present 2002-2003 probable expenditure and expenditures from previous years on the same basis as in 2003-2004. This adjustment led, for 2002-2003, to a $8.9 million increase in expenditure in the "Famille, Enfance et Condition féminine" portfolio given that the family policy is gradually replacing certain measures that were formerly accounted for as deductions from income.

Note: Figures are rounded and the sum of the amounts recorded in respect of each program may not correspond to the total. 2002-2003 expenditures and expenditures from previous years have been adjusted in order to present them on the same basis as the 2003-2004 budget.

SUPPORT FOR INDIVIDUALS AND FAMILIES MISSION : $5.2 BILLION IN 2003-2004



MISSION: ADMINISTRATION AND JUSTICE

EXPENDITURES BY PORTFOLIO AND PROGRAM

portfolios and programs	Expenditure Budget 2003-2004	Expenditure Budget 2002-2003	Probable Expenditure 2002-2003	Expenditures 2001-2002	Expenditures 2000-2001
			($ 000 000)		
National Assembly					
Secrétariat général et Secrétariat général adjoint aux affaires parlementaires et institutionnelles	**16,6**	15,8	15,8	14,6	12,5
Secrétariat général adjoint aux affaires administratives	**33,6**	32,3	32,3	30,7	26,6
Statutory Support Services for Parliamentarians	**41,4**	41,3	41,3	42,8	40,9
Persons Appointed by the National Assembly					
The Public Protector	**8,0**	7,9	7,7	7,1	7,2
The Auditor General	**19,3**	18,5	17,4	15,6	14,9
Administration of the Electoral System	**73,3**	32,9	32,9	27,2	19,7
The Lobbyists Commissioner	**2,5**	1,6	1,6	-	-
Affaires municipales et Métropole					
Compensation in lieu of Taxes and Financial Assistance to Municipalities	**505,0**	478,2	557,7	568,0	458,6
General Administration	**46,2**	46,0	45,8	43,7	41,0
Commission municipale du Québec	**3,5**	3,1	3,1	3,1	2,4
Régie du logement	**14,9**	13,9	13,9	13,7	13,7
Conseil du trésor, Administration et Fonction publique					
Secretariat of the Conseil du trésor	**69,4**	69,0	62,8	49,3	48,4
Government Operations	**93,5**	106,0	92,2	101,5	113,5
Commission de la fonction publique	**2,8**	2,8	2,7	2,3	2,1
Retirement and Insurance Plans	**329,8**	314,5	314,5	311,9	269,9
Contingency Fund	**392,3**	0,1	-	-	-
Conseil exécutif					
Lieutenant-Governor's Office	**0,9**	1,2	1,2	1,1	0,9
Support Services for the Prime Minister and the Conseil exécutif	**76,1**	74,1	44,6	33,1	27,2
Canadian Intergovernmental Affairs	**11,1**	11,4	13,1	10,5	9,0
Native Affairs	**110,7**	58,5	56,3	18,9	16,0
Youth	**13,5**	8,9	9,0	8,8	7,4
Famille, Enfance et Condition féminine					
Status of Women	**7,4**	7,3	7,3	7,0	7,0
Finances, Économie et Recherche					
Department Administration	**105,3**	99,0	98,2	88,1	83,7

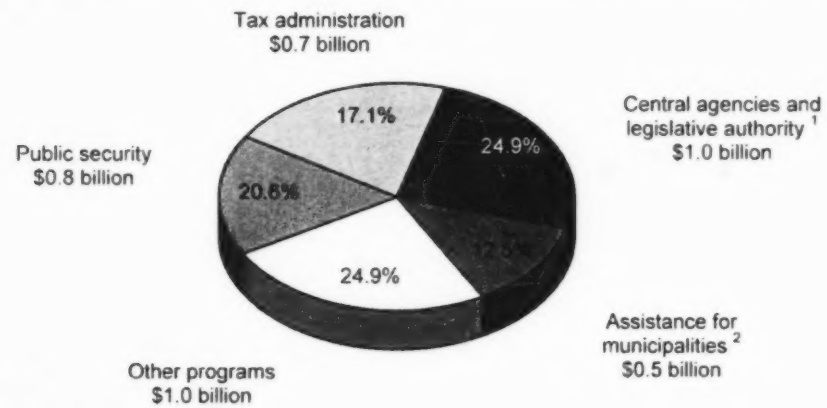
MISSION: ADMINISTRATION AND JUSTICE (CONT'D.)

EXPENDITURES BY PORTFOLIO AND PROGRAM

Justice					
Judicial Activity	**69,3**	67,6	67,6	65,3	61,8
Administration of Justice	**307,0**	283,7	293,8	265,8	247,5
Administrative Justice	**10,5**	9,6	9,6	9,7	9,8
Relations avec les citoyens et Immigration					
Citizen Relations and Management of Identity	**24,2**	25,0	46,7	25,2	21,5
Advisory and Protection Organizations Reporting to the Minister	**26,3**	26,3	27,1	25,7	24,0
Public Curator	**38,6**	36,7	35,5	36,9	34,6
Revenu					
Tax Administration	**693,2**	745,9	745,0	612,9	715,5
Sécurité publique					
Security, Prevention and Internal Management	**407,2**	375,8	386,5	384,5	362,0
Sûreté du Québec	**399,1**	393,9	419,3	388,3	355,8
Organizations Reporting to the Minister	**25,5**	25,3	27,0	27,2	26,5
Travail					
Labour	**64,3**	62,6	65,3	87,7	78,7
Total of this Mission	**4 042,3**	3 496,7	3 594,7	3 328,1	3 160,3

Note: Figures are rounded and the sum of the amounts recorded in respect of each program may not correspond to the total. 2002-2003 expenditures and expenditures from previous years have been adjusted in order to present them on the same basis as the 2003-2004 budget.

ADMINISTRATION AND JUSTICE MISSION : $4.0 BILLION IN 2003-2004



1 Including all "National Assembly", "Persons Appointed by the National Assembly", "Conseil exécutif", "Finance, Économie et Recherche" and "Conseil du trésor, Administration et Fonction publique" portfolios except for the "Contingency Fund" program.

2 Including "Compensation in lieu of taxes and Financial Assistance to Municipalities" program.

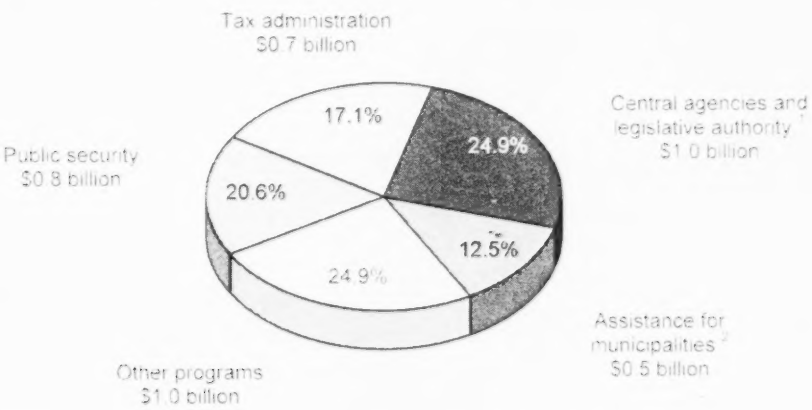
MISSION: ADMINISTRATION AND JUSTICE (CONT'D.)

EXPENDITURES BY PORTFOLIO AND PROGRAM

Justice					
Judicial Activity	69.3	67.6	67.6	65.3	61.8
Administration of Justice	307.0	283.7	293.8	265.6	247.5
Administrative Justice	10.5	9.6	9.6	9.7	9.8
Relations avec les citoyens et Immigration					
Citizen Relations and Management of Identity	24.2	25.0	46.7	25.2	21.5
Advisory and Protection Organizations Reporting to the Minister	26.3	26.3	27.1	25.7	24.0
Public Curator	38.6	36.7	35.5	36.9	34.6
Revenu					
Tax Administration	693.2	745.9	745.0	612.9	715.5
Securité publique					
Security, Prevention and Internal Management	407.2	375.8	386.5	384.5	362.0
Sûreté du Québec	399.1	393.9	419.3	388.3	355.8
Organizations Reporting to the Minister	25.5	25.3	27.0	27.2	26.5
Travail					
Labour	64.3	62.6	66.3	67.7	78.7
Total of this Mission	4 042.3	3 496.7	3 594.7	3 328.1	3 160.3

Note: Figures are rounded and the sum of the amounts recorded in respect of each program may not correspond to the total. 2002-2003 expenditures and expenditures from previous years have been adjusted in order to present them on the same basis as the 2003-2004 budget.

ADMINISTRATION AND JUSTICE MISSION : $4.0 BILLION IN 2003-2004



1. Including all "National Assembly", "Persons Appointed by the National Assembly", "Conseil executif", "Finance, Economie et Recherche" and "Conseil du tresor, Administration et Fonction publique" portfolios except for the "Contingency Fund" program.
2. Including "Compensation in lieu of taxes and Financial Assistance to Municipalities" program.

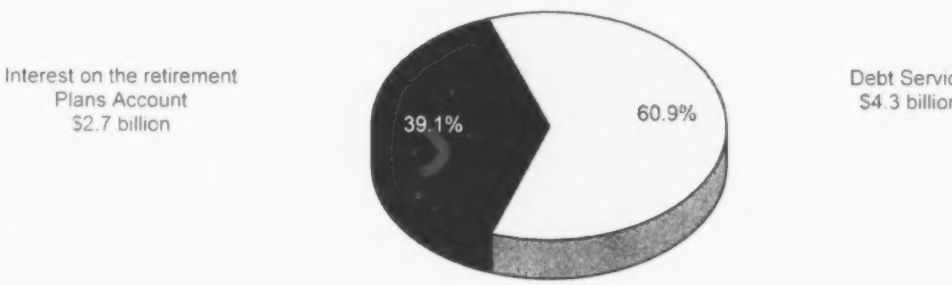
MISSION: DEBT PAYMENT

EXPENDITURES BY PORTFOLIO AND PROGRAM

portfolios and programs	Expenditure Budget 2003-2004	Expenditure Budget 2002-2003	Probable Expenditure 2002-2003	Expenditures 2001-2002	Expenditures 2000-2001
			($ 000 000)		
Finances, Économie et Recherche					
Debt Service and Interest on the Retirement Plans Account	**6 968,0**	6 633,0	6 633,0	6 686,5	6 971,6
Total of this Mission	**6 968,0**	6 633,0	6 633,0	6 686,5	6 971,6
Savings to be Realized	**(400,0)**				
Mission Total	**53 561,0**	50 737,0	50 737,0	49 198,6	47 854,7

Note: Figures are rounded and the sum of the amounts recorded in respect of each program may not correspond to the total. 2002-2003 expenditures and expenditures from previous years have been adjusted in order to present them on the same basis as the 2003-2004 budget.

DEBT PAYMENT MISSION : $7.0 BILLION IN 2003-2004



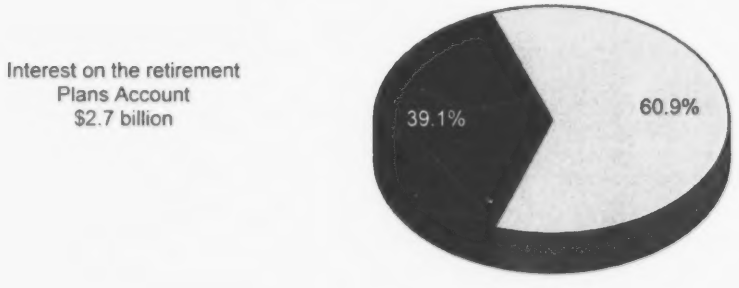
MISSION: DEBT PAYMENT

EXPENDITURES BY PORTFOLIO AND PROGRAM

portfolios and programs	Expenditure Budget 2003-2004	Expenditure Budget 2002-2003	Probable Expenditure 2002-2003	Expenditures 2001-2002	Expenditures 2000-2001
			($ 000 000)		
Finances, Économie et Recherche					
Debt Service and Interest on the Retirement Plans Account	**6 968,0**	6 633,0	6 633,0	6 686,5	6 971,6
Total of this Mission	**6 968,0**	6 633,0	6 633,0	6 686,5	6 971,6
Savings to be Realized	**(400,0)**				
Mission Total	**53 561,0**	50 737,0	50 737,0	49 198,6	47 854,7

Note: Figures are rounded and the sum of the amounts recorded in respect of each program may not correspond to the total. 2002-2003 expenditures and expenditures from previous years have been adjusted in order to present them on the same basis as the 2003-2004 budget.

DEBT PAYMENT MISSION : $7.0 BILLION IN 2003-2004



APPENDIX C
ECONOMIC AND BUDGETARY INDICATORS

C.1

CHANGES OVER 15 YEARS IN SELECTED INDICATORS SPECIFIC TO QUÉBEC

	Population [1]	GDP growth rate [2]	Inflation rate in Canada [3]	Program spending as % of GDP	Program spending per capita	
	In thousands	%	%	%	$	% variation
1989-1990	6,930	5.4	0.89	19.7	4,224	3.0
1990-1991	7,004	3.3	0.93	21.0	4,589	8.6
1991-1992	7,065	1.2	0.99	22.4	4,913	7.1
1992-1993	7,113	2.1	1.00	22.9	5,100	3.8
1993-1994	7,165	2.4	1.02	22.4	5,062	-0.8
1994-1995	7,207	5.1	1.02	21.7	5,130	1.4
1995-1996	7,241	4.0	1.04	20.7	5,078	-1.0
1996-1997	7,274	1.8	1.06	19.6	4,857	-4.4
1997-1998	7,303	4.4	1.08	18.9	4,872	0.3
1998-1999	7,323	4.2	1.09	18.8 [4]	5,194	6.6
1999-2000	7,351	7.1	1.11	18.4	5,269	1.4
2000-2001	7,382	6.7	1.14	18.2	5,538	5.1
2001-2002	7,418	2.4	1.16	18.5	5,731	3.5
2002-2003 [F]	7,455	4.6	1.19	18.4	5,916	3.2
2003-2004 [F]	7,481	5.5	1.22	18.4	6,228	5.3

Source: Secrétariat du Conseil du trésor for program spending data, Statistique Canada and Ministère des Finances, de l'Économie et de la Recherche for economic data.

1 Population as at July 1 of the fiscal year considered.

2 The GDP is calculated on a nominal basis, taking the annual average for the calendar year ending three months before the end of the fiscal year considered.

3 For the calendar year ending three months before the end of the fiscal year considered.

4 Rate corrected to exclude the impact of extraordinary expenditures effected in 1998-1999 to implement the financial restructuring and consolidation plan for health and social services establishments, for an amount of $1,007.0 million, and to improve the financial position of universities, for an amount of $170.0 million. The growth rate, with these amounts included, would have been 19.4%.

F Forecast

C.2

CHANGES IN EXPENDITURES OVER 15 YEARS

	Program Spending [1]		Debt Service		Total Expenditure [2]	
	$M	% variation	$M	% variation	$M	% variation
1989-1990	29,268	4.3	4,015	5.6	33,283	4.5
1990-1991	32,142	9.8	4,437	10.5	36,579	9.9
1991-1992	34,711	8.0	4,666	5.2	39,377	7.6
1992-1993	36,275	4.5	4,756	1.9	41,031	4.2
1993-1994	36,268	0.0	5,316	11.8	41,584	1.3
1994-1995	36,976	2.0	5,882	10.6	42,858	3.1
1995-1996	36,775	-0.5	6,034	2.6	42,809	-0.1
1996-1997	35,327	-3.9	5,855	-3.0	41,182	-3.8
1997-1998	35,581	0.7	6,765	15.5	42,346	2.8
1998-1999	38,039	1.9 [3]	6,573	-2.8	44,612	5.4
1999-2000	38,731	1.8	6,752	2.7	45,483	2.0
2000-2001	40,883	5.6	6,972	3.3	47,855	5.2
2001-2002	42,512	4.0	6,687	-4.1	49,199	2.8
2002-2003 [4]	44,104	3.7	6,633	-0.8	50,737	3.1
2003-2004 [F]	46,593	5.6	6,968	5.1	53,561	5.6

1 Program spending is shown according to the 2003-2004 budget structure and therefore includes a prior period adjustment of expenditures relating to the family policy, given that this policy has the effect of gradually replacing certain measures previously accounted for as deductions from revenue.

2 Total expenditures exclude consolidated agencies.

3 Rate corrected to exclude, on the one hand, the impact of the Canada-Québec Labour Market Agreement, which came into force in 1998-1999, for an amount of $595.6 million, and, on the other hand, the impact of extraordinary expenditures effected in 1998-1999 to implement the financial restructuring and consolidation plan for health and social services establishments, for an amount of $1,007.0 million, and to improve the financial position of the universities, for an amount of $170.0 million. The growth rate, taking these expenditures into account, would have been 6.9%.

4 Probable expenditure

F Forecast

C.3

EXPENDITURES BY PORTFOLIO FROM 1989-1990 À 2003-2004 (MILLIONS OF DOLLARS)

	Expenditure Budget 2003-2004	Probable Expenditure 2002-2003	Actual Expenditures 2001-2002	2000-2001	1999-2000
Affaires municipales et Métropole	1 587	1 572	1 579	1 387	1 116
Agriculture, Pêcheries et Alimentation	659	643	651	714	514
National Assembly	92	89	88	80	74
Conseil du trésor, Administration et Fonction publique	888	472	465	434	372
Conseil exécutif	248	162	109	111	215
Culture et Communications	532	501	490	542	496
Éducation	11 685	11 028	10 548	10 130	9 825
Emploi, Solidarité sociale	4 017	4 108	4 067	4 095	4 064
Environnement	193	179	180	158	223
Famille, Enfance et Condition féminine*	2 026	1 823	1 702	1 572	1 542
Faune et Parcs	111	120	122	148	79
Finances, Économie et Recherche	1 092	1 032	878	942	757
Justice	557	542	509	468	459
Persons Appointed by the National Assembly	103	60	50	42	41
Régions	218	164	137	120	147
Relations avec les citoyens et Immigration	209	235	213	178	142
Relations internationales	112	107	111	104	98
Ressources naturelles	278	298	342	363	485
Revenu	693	745	613	715	721
Santé et Services sociaux	19 103	17 736	17 198	16 098	14 828
Sécurité publique	832	833	800	744	701
Tourisme, Loisir et Sport	133	158	160	152	173
Transports	1 560	1 432	1 412	1 507	1 578
Travail	64	65	88	79	81
Change in the Provision for Losses on Equity Investments	-	-	-	-	-
Savings to be Realized	(400)				
Program spending	46 593	44 104	42 512	40 883	38 731
Debt Service	6 968	6 633	6 687	6 972	6 752
Total Expenditures	53 561	50 737	49 199	47 855	45 483

* Program spending is presented according to the 2003-2004 budget structure and includes changes in the presentation of portfolios as well as adjustments associated with the family policy, given that this policy is gradually replacing certain measures previously accounted for as deductions from revenue.

Note: Figures are rounded and the sum of the amounts recorded in respect of each portfolio may not correspond to the total.

Actual Expenditures

1998-1999	1997-1998	1996-1997	1995-1996	1994-1995	1993-1994	1992-1993	1991-1992	1990-1991	1989-1990
1 008	1 197	1 259	1 439	1 431	1 313	1 293	1 192	1 081	1 002
531	499	585	643	641	657	660	685	694	635
74	67	80	86	86	81	83	83	81	71
412	587	586	506	532	516	578	537	529	369
67	56	59	70	68	56	54	51	45	42
523	430	433	425	430	443	448	401	375	345
9 580	9 449	10 040	10 453	10 446	10 154	10 361	9 970	9 430	8 468
4 158	3 779	3 956	4 021	4 007	3 886	3 613	3 200	2 599	2 555
162	137	164	179	184	190	199	185	189	168
1 514	1 323	1 110	1 108	1 076	1 046	981	906	848	734
111	121	91	87	93	101	107	106	106	98
742	622	485	571	613	581	712	608	616	575
486	454	460	454	489	495	495	465	431	388
94	36	42	99	86	38	84	35	34	77
128	103	128	161	176	73	62	50	49	51
147	137	144	143	147	153	158	154	110	94
88	77	83	100	95	100	104	98	90	74
369	300	346	376	406	436	464	470	469	447
845	1 085	631	511	490	557	559	526	478	420
14 596	12 922	12 861	13 037	13 070	12 943	12 698	12 342	11 312	10 300
703	664	696	719	719	713	743	779	835	651
122	104	100	94	100	94	110	114	106	96
1 507	1 363	930	1 460	1 551	1 533	1 614	1 663	1 588	1 624
72	68	68	70	74	69	79	76	73	80
-	-	(11)	(39)	(34)	40	18	15	(24)	(97)
38 039	35 581	35 327	36 775	36 976	36 268	36 275	34 711	32 142	29 268
6 573	6 765	5 855	6 034	5 882	5 316	4 756	4 666	4 437	4 015
44 612	42 346	41 182	42 809	42 858	41 584	41 031	39 377	36 579	33 283

Conseil du trésor

Québec